FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,262 Saturday September 6 1980 *** 25p

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 28; DENMARK Kr 5.00; FRANCE Fr 4; GERMANY DM 2.0; ITALY L 800; NETHERLANDS Fl 2.0; NORWAY Kr 5.00; PORTUGAL Esc 45; SPAIN Pts 70; SWEDEN Kr 5.00; SWITZERLAND Fr 2.0; EIRE 25p; MALTA 20c

NEWS SUMMARY

GENERAL

Call for tougher laws on marches

The Public Order Act, under which marches and political demonstrations are controlled, should be retained and strengthened, says the Commons Home Affairs Committee.

The Conservative majority recommends that the Home Secretary should keep his powers to authorise blanket bans on processions if he fears they will seriously threaten public order.

But Labour MPs say existing criminal and civil laws are sufficient to deal with violence, and that the power to ban marches is wrong and undemocratic. Page 3

Minister resigns

Turkeys lower House of Parliament forced Foreign Minister Hayrettin Erkmen to resign from the Cabinet by passing a censure motion. He was accused of being too pro-Western. Page 2

Powell tax call

Mr. Enoch Powell, attacking the Government's economic strategy, particularly the failure lo control public expenditure, called for heavier taxation. Page 3

Gaza plan

Israel is to begin building two settlements within a month in the Gaza Strip—a move unlikely to improve already strained relations between Egypt and Israel. Page 2

Life sentence

Park keeper John Dickinson, 27, was jailed for life at St. Albans for murder and arson. He raped and strangled Mrs. Susan Lowson, 25, at her Stevenage home, then set fire to her bedroom.

Suicide verdict

An inquest recorded a verdict of suicide on the wife of a former Buckingham Palace employee, Georgina Carlisle, 46, who took an overdose of harbiturates after being told to leave her home in the Royal Mews.

Detective jailed

Detective Constable David Chapman, 35, who has received 11 commendations for bravery and efficiency, was jailed for 18 months at the Old Bailey for his part in the theft of goods from a menswear shop.

Found dead

Managing director of Pickford Heavy Haulage, Wiliam Hurst Smith, 53, of Saffron Walden, Essex, was found dead with shotgun wounds. Foul play is not suspected.

Commuter record

Three Americans set np a "commuting record" of four hours 26 minutes between central London and central New York, using Concorde and two helicopters. They were delayed 24 minutes at Heathrow.

Wages freeze

A raider who grabbed a bag containing £1,700 in staff wages at a St. Neot's, Huntingdon, supermarket dropped the cash and made off when a customer hit him with a packet of frozen beefburgers.

Briefly . . .

Police were looking for two Broadmoor patients, missing after a coach trip to Poole, Dorset.

Milan's two airports were paralysed by 24-hour strike of 3,000 airport workers.

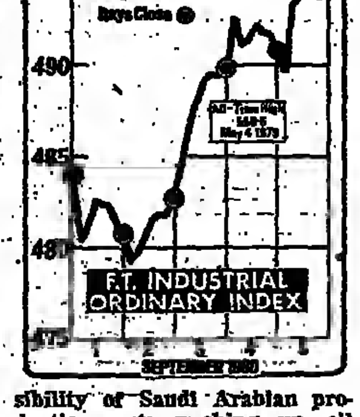
Thousands walked to work in Dublin because of a bus strike.

BUSINESS

Gilts up 0.51; $4 rise for gold

● **GILT** prices rose sharply and the Government Broker sold stock on a significant scale for the first time in six weeks. The Government Securities index gained 0.51 to close at 69.44. Page 24; Back Page

● **EQUITIES** were influenced by the strength of gilts and by interest in Oils on the possibility of Saudi Arabian production cuts pushing up oil prices. The FT 30-share index rose 3.6 to 494.4. Page 24



● **GOLD** finished at its highest level since July at $651.5, a rise of $4 from Thursday and $19 on the week. Page 23

● **STERLING** fell 55 points to close at $2.4135. Its trade-weighted index remained at 76.5. **DOLLAR** improved to DM 1.7815 (DM 1.7765) on news of the rise in U.S. prime rates. Its trade-weighted index rose to 83.7 (83.5). Page 23

● **WALL STREET** was 2.91 off at 945.90 near the close. Page 20

● **DAWN RAIDS** will become almost impossible under new Council for the Securities Industry rules that demand predators give five days' notice of their intentions. Back Page and Page 3

● **TEXTILE MACHINERY** Association exhibition, which was to have been staged in Birmingham's National Exhibition Centre in 1983, has been switched to Milan with a loss of some £100m in revenue from visitors to the UK. Back Page

● **MASSEY - FERGUSON** of Toronto, the troubled farm equipment producer, will not be receiving federal Government aid. Back Page

● **PORT OF LIVERPOOL** lost £2.54m in the first half of 1980, following a £7.46m deficit for last year as a whole. Page 4

● **PORTUGAL'S** national airline TAP is to sign a co-operation agreement with the Spanish airline Iberia that could lead to a merger of the two companies. Page 21

● **HONGKONG LAND** and Jardine Matheson are to enter an arrangement in which Jardine will sell to Land assets in exchange for new Land shares. Page 21

COMPANIES

● **PILKINGTON** Brothers, glassmakers, were under very strong pressure from inflation and overseas competitors, Sir Alexander Pilkington, chairman, told the annual meeting. Page 18

● **WEIR**, the Glasgow-based engineering group, announced the resignation of Randy Spence, managing director of its main pumps division. Page 4

● **A. G. STANLEY** Holdings, home decorating materials group, reported first-half taxable profits down by 35 per cent from £1.24m to £808,122. Page 18; Lex, Back Page

● **MYSON** Group, central heating manufacturers, reported first-half losses of £236,238 against profits of £1.13m last year. Page 18

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Exchеq. 10½pc '95	£91¼	+ 1
Exchеq. 12pc 99-02	£92¾	+ 1¼
Aero and General	530	+ 35
Arbuthnot Latham	217	+ 7
Boots	244	+ 6
Cornell Dresses	52	+ 26
Derby Trust Cap.	215	+ 8
Fashion & General	220	+ 20
Ferranti	460	+ 13
Gt. Portland Estates	284	+ 8
Kode International	293	+ 11
M'chester Sp. Canal	217	+ 12
Matthews (B.)	255	+ 20
Paul Y	26	+ 5
Photax (London)	71	+ 8
Racal Electronics	322	+ 13
Rayheck	71	+ 3
Somportex	215	+ 10
Standard Telephns.	448	+ 20
Potters	52	+ 5
BP	358	+ 10
Double Eagle	420	+ 190
Warrier Resources	280	+ 75
Doornfontein	952	+ 64
Grootvlei	515	+ 60
Haoma Gold	166	+ 14
North Kalgurli	96	+ 5
North West Mining	144	+ 10
Poseidon	270	+ 17
Randfontein	£33¼	+ 2¼
St. Helena	£22½	+ 1½
SW Cons. Mins.	43	+ 4
Unisel	580	+ 53
Vaal Reefs	£33½	+ 2¼
Western Deep	£24¼	+ 1¼

FALLS

Goldman (H.)	29	− 3
Hong Kong Land	148	− 6
Myson	53	− 5
Stanley (A. G.)	62	− 7
Hemerdon Mining	80	− 10

Occidental plans to spend £625m on UK projects

BY RAY DAFTER, ENERGY EDITOR

OCCIDENTAL PETROLEUM plans to spend $1.5bn (£625m) on three major UK energy projects. Dr. Armand Hammer, chairman of the U.S.-based oil group, told the Prime Minister yesterday that the investment would result in "thousands of new jobs."

The three proposed projects, each expected to cost about $500m, are:

● A floating prodnction platform to exploit a new oil discovery close to the Occidental group's Claymore Field in the North Sea.

● A petrochemical plant near Peterhead, Scotland, to convert ethane gas into ethylene, a basic material for the chemical industry.

● The reactivation of Occidental's on-off oil refinery plan for Canvey Island in the Thames Estuary.

The announcement, which surprised and caused some scepticism within the UK oil and chemical industries, was made by Dr. Hammer during a visit by Mrs. Margaret Thatcher to Occidental's Flotta oil terminal in the Orkney Islands, built primarily to handle the output of the Piper and Claymore fields. The equivalent of about 17.5 per cent of UK oil consumption is flowing through the £250m terminal.

Dr. Hammer, the 82-year-old founder of Occidental, said the company was planning to reinvest its UK oil profits. "We have great confidence in the UK and in Mrs. Thatcher's government and we think the climate and atmosphere is just right for further investment."

Few details were given about the schemes, only one of which—the production platform—was known to be planned by Occidental. Occidental and its partners—Getty, Allied Chemical and Thomson — recently struck oil some 2½ miles north of the Claymore Field, while drilling a water injection well.

Background to Occidental's plans, Page 22

The discovery is thought to contain recoverable reserves of about 50m barrels, sufficient to justify development using a floating, semi-submersible unit. Once the field has been exhausted the platform can be moved.

As the first step in the exploitation of the new discovery Occidental has ordered a £250,000 eight-well drilling frame from Blackwall Engineering, a British Shipbuilders subsidiary. This frame will be positioned on the seabed. It is understood that Occidental plans to order the platform from a British Shipbuilders' subsidiary.

Occidental's plans for a 6m tonnes a year oil refinery at Canvey, in Essex, have been affected over the past decade by changed conditions in the oil products market and by planning inquiries.

The company originally obtained approval to build the refinery in 1971. Then the emphasis was on the proposed production of heavy fuel oil. In 1975 Occidental halted construction, largely because of a market analysis which showed there was likely to be faster growth for premium refined products, such as petrol and naptha, than for fuel oil. Planning permission for the redesigned plant was held up while the Health and Safety Executive completed a two-year inquiry into safety standards in and around Canvey.

Oil industry executives, facing dampened demand and increasing price competition, last night questioned whether this was a good moment to embark on UK refinery expansion. They also added that Occidental would still face stiff environmental opposition on Canvey.

Occidental said last night that the plans would be "environmentally and locally acceptable." However, it was conceded that the scheme, to turn North Sea oil into high grade products, was at an early stage and that planning permission had still not been obtained.

Imports take record share of improved car sales

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

NEW CAR sales in August reached the second highest monthly total ever recorded. But, according to statistics issued today by the Society of Motor Manufacturers and Traders, importers took a record 63.8 per cent of the market.

The Japanese market share in particular jumped to 19.7 per cent, against 13.8 per cent in the same month last year.

Meanwhile, BL had almost its worst month. The group's market share dropped to 15.29 per cent, only slightly ahead of the worst-ever 15.1 per cent in January. In August last year, BL's share was 19.26 per cent.

After eight months of 1980, BL has seen its hold on the market drop from 20.16 per cent to 17.29 per cent for the year so far, in spite of two heavily promoted, price-cutting campaigns.

BEST-SELLING CARS IN AUGUST

1. Ford Cortina	20,821
2. Ford Fiesta	13,390
3. Ford Escort	10,981
4. Austin-Morris Mini	9,743
5. Datsun Cherry	8,667
6. Datsun Sunny	7,929
7. Vauxhall Chevette	6,841
8. Morris Ital	6,389
9. Austin Allegro	5,805
10. Vauxhall Cavalier	5,512

Ironically, two companies which refused to be drawn into the price-cutting war among the car groups — Volvo and Volkswagen-Audi—improved their positions substantially.

August is usually a bumper month for new car sales because the new registration suffix is introduced—"W" this year.

The SMMT statistics show registrations in August at 231,776, a total surpassed only in August, 1978 (249,486).

August this year was the first month to show an upturn since March, but the industry is still expecting a tough time during the remainder of 1980. Its forecast remains that sales will drop from 1.71m last year to 1.5m.

Continued on Back Page
Detailed table, Page 4

Cadbury set to regain Westward

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

MR. PETER CADBURY seems set to regain control—at least for the time being—of Westward Television, the company he co-founded 20 years ago.

A High Court judge yesterday refused to ban an extraordinary meeting of Westward shareholders, called by Mr. Cadbury and his allies for next Wednesday.

The meeting is to vote on removing six directors of the company, including the present chairman, Lord Harris of Greenwich, and reinstating Mr. Cadbury as chairman and Lord Lisburne as deputy chairman.

The outcome is regarded as a foregone conclusion. The Cadbury faction holds 50,000 of the company's 200,000 voting shares, and the holders of 66,000 other shares have contracted to vote in his favour.

The ban had been sought by anti-Cadbury directors, led by Lord Harris. They said they had called a meeting to consider the resolution on October 17, and the earlier meeting was therefore unnecessary and invalid.

They denied the meeting was being delayed to keep them in control for as long as possible.

After Mr. Justice Dillon's ruling, Lord Harris said he would consult his colleagues over the weekend about whether to appeal.

Whatever the outcome of Wednesday's meeting, that on October 17 will still be held. The Harris faction hopes by then to persuade a majority of shareholders to change their votes.

Nor will the October meeting necessarily be the end of the litigation. An action by Mr. Cadbury and his allies has yet to come to court seeking to stop the company taking steps to deprive Mr. Cadbury, his wife and son-in-law and Lord Lisburne of their shares.

That action is unlikely to be heard before December, when the Independent Broadcasting Association will announce whether Westward or one of its two rival applicants is to get the South West England commercial television franchise.

Mr. Justice Dillon said it would be unfair to stop Wednesday's meeting, as that would deprive Mr. Cadbury and Lord Lisburne of the fruits of their pending action—over the attempts to deprive them of their shares—before it had been tried.

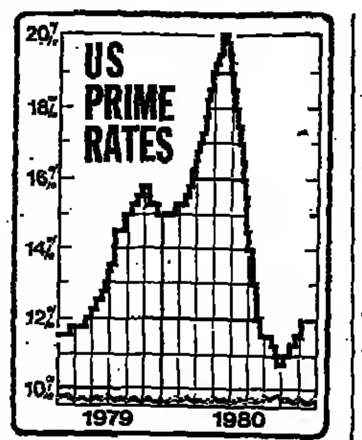
Westward's directors were all motivated by a desire to promote the interests of the company and do all they could to get its franchise renewed.

"I would not have thought it was beyond their commonsense to ensure that whatever resolutions are passed on September 10, they can collaborate in carrying on the day-to-day business of the company until October 17."

But, he warned, if they could not, the correct remedy would be for the court to appoint a receiver and manager of the company.

CONTENTS

For latest Share Index 'phone 01-246 8026



New rise in U.S. prime

By Ian Hargreaves in New York

PRIME LENDING rates in the U.S. jumped another half percentage point yesterday, following further indications of the persistence of double-digit inflation. Citibank led the way to a 12 per cent prime rate, but was quickly followed by numerous other large banks.

The size of the increase is a continuation of the upward trend that started on August 4 when the prime rose from 10¾ per cent. It took Wall Street by surprise, since pressure on short-term rates had eased considerably this week as the bond market enjoyed its best rally for some time.

However, official figures showing that wholesale prices went up by 1.5 per cent in August and that unemployent fell rekindled the market's fears about inflation and wiped out most of the gains registered earlier in the week.

The violent fluctuations in prices and rates on the credit markets is causing serious problems for securities houses and for the huge backlog of American corporations waiting for the right moment to enter the long-term debt markets.

As the market rallied this week, one company, Union Pacific, was advised by its agent, First Boston, to market a long planned $250m (£104m) debenture issue on Thursday. But, having failed to place the issue yesterday, First Boston released it on free trading and its price fell by almost two points, increasing yields on the 30-year bond to 12.18 per cent from a planned 11.97 per cent.

This movement was in line with the market, but will probably deter other companies from bringing forward an estimated $4bn of new issues awaiting calmer markets.

Mixed comfort for Carter, Page 2

£ in New York

—	Sept. 4	Previous
Spot	$2.4210-4220	$2.4055-4105
1 month	1.20-1.14 dis	1.37-1.32 dis
3 months	2.84-2.77 dis	2.80-2.75 dis
12 months	6.30-6.10 dis	6.40-6.25 dis

Ailing Gierek may lose leadership

BY CHRISTOPHER BOBINSKI IN WARSAW

SPECULATION THAT a change of leadership in Poland was under way last night followed the announcement that Mr. Edward Gierek, the Communist Party's First Secretary, had been taken to hospital with heart trouble.

The Polish Parliament, meeting to discuss the recent wave of strikes across the country, heard a statement from five doctors that his heart condition had worsened.

The Party's politburo was called into session, strengthening feeling that a successor to Mr. Gierek was being chosen.

The party leader's absence from parliament had already given rise to suggestions that a leadership struggle was on.

The communique on Mr. Gierek's condition referred to "serious disturbances of the heart" and later the speaker of parliament wished the 67-year-old leader a speedy recovery.

Mr. Gierek had come under unofficial fire from some hard-line Communists at home and abroad for his handling of the recent strikes, which brought big concessions to strikers' demands for independent trade unions.

The strikes followed an attempt to ration meat supplies by raising prices. It was a wave of strikes following food price increases in 1970 that led to the downfall of Mr. Gierek's predecessor, Mr. Wladyslaw Gomulka.

Yesterday's session of parliament showed how Poland's economic and political ills have now emerged into public debate.

Mr. Jozef Pinkowski, the country's new Prime Minister, outlined Government pledges to striking workers over the past three weeks.

In a lacklustre speech, he said that since the strikes, wage increases had been given to 3m workers. The minimum wage would go up by 20 per cent and the working week would be cut from 46 hours to 42.

Mr. Pinkowski promised to speed up work on reform and confirmed that a draft law limiting censorship would be presented to parliament within three months.

Mr. Andrezej Zabinski, a politburo member, said that in the past few weeks "the working class had sharply and angrily reminded us that we had paid too little attention to what it had to say." He also called for the party itself to be made more democratic, and said the party was paying "a high price" for the way it had been running the country.

But he did warn against "an escalation of demands" and said that "anti-socialist forces" could exploit the present crisis.

Many of the speakers in the debate after Mr. Pinkowski's speech criticised the role that parliament had played in the past and Mr. Stefanski, a democratic party deputy, said it had been rubber stamping government decisions.

Mr. Karol Malcuzyiski, a newspaper commentator, attacked the "paranoid" methods of the censor's office, saying "propaganda methods have become more and more primitive" and that these things must not be repeated.

Gierek—a leader under attack, Page 2

TUC cancels visit

BY CHRISTIAN TYLER, LABOUR EDITOR

THE TUC yesterday cancelled its visit to Poland, ending one of the most embarrassing episodes for the leadership in recent years.

It had been confirmed overnight that the TUC's hosts the official trade union federation of Poland, were proposing a one-day visit next Wednesday for a three-man delegation, instead of a week-long trip for six. That was considered to be quite valueless in view of the delegation's request to meet shopfloor leaders of the workers who had been on strike.

The delegation met in Brighton before breakfast on the last day of the TUC conference and its decision was endorsed by the general council shortly afterwards.

There was considerable anger at the way the delegation had been kept in the dark by the Polish authorities. But there was also anger at the way the controversy had been kept simmering by anti-Communists on the general council.

At the general council meeting Mr. Moss Evans of the Transport Workers attacked Mr. Frank Chapple of the Electricians, telling him that if he could not support collective decisions of the council he should get out.

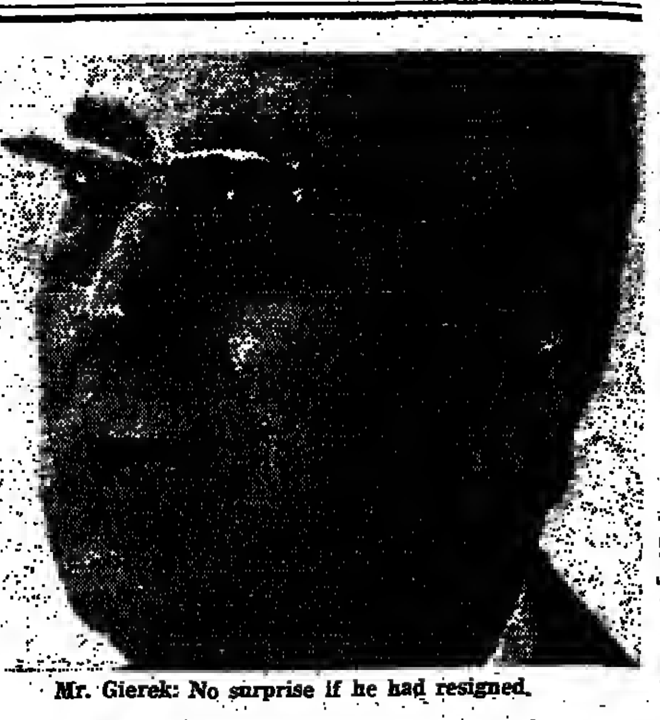
Mr. Chapple, who for years has accused the TUC of soft-pedalling its criticism of Communist regimes while condemning Right-wing dictatorships, has freely expressed his views since the controversy

Continued on Back Page
TUC reports, Page 4

OVERSEAS NEWS

Christopher Bobinski, in Warsaw, analyses the developing struggle for political power in Poland

Edward Gierek: a leader under attack from all sides



Mr. Gierek: No surprise if he had resigned.

WHEN Mr. Edward Gierek, the Polish party leader, failed to turn up to a session of the Polish Parliament yesterday morning, nobody would have been surprised if it turned out that he had resigned.

This showed how fragile was his political position, at least inside the country. He has lost his standing with the population and is under attack from all sides within the leadership.

The theme of his policies in recent years as the economic situation deteriorated was to muddle through and not take drastic decisions which might provoke unrest.

This explains his soft line towards the Church, towards dissidence, and the leadership's lack of decision when it came to economic policies. Now Mr. Gierek is being attacked by the hardliners for his liberalism, which they say has led to Poland's economic and political crisis, while the reformers are against him because he never gave the go-ahead for thorough reforms of the economy.

Mr. Gierek has maintained his position mainly by default. There is no shortage of potential successors but the feeling was that none was strong enough to outpace the others.

There is also the external aspect. Mr. Gierek is, after all, well-known in Moscow which is more than nervous about the present labour troubles in Poland. His disappearance now could heighten Kremlin fears that the situation is getting out of control.

The leadership is fragmented—and one of the basic divisions is over how the new independent trade unions should be treated. This emerged last Saturday at the meeting of the party's central committee which decided to give the go-ahead to the new unions.

By all accounts, the debate was ragged and the interruptions frequent, a sharp contrast to the traditionally dull meetings at which participants sit doodling while speakers deliver texts prepared and approved in advance.

Sharp contrast

It was accepted by all that the concession would have to be made but many thought that as soon as the situation returned to normal, the independent unions could be dealt with.

"We are taking a step to the right with the unions but that's better than taking a step over the precipice," one speaker is reported to have said.

Mr. Mieczyslaw Jagielski, the man who negotiated the agreement to give striking workers in Gdansk their independent union, argued a different line. He told the Plenum that the authorities must work with the new unions otherwise the country would continue to face labour unrest.

A similar attitude was taken by the Gdansk party committee led by Mr. Tadeusz Fiszbach. Their view was that if the party is to run the country efficiently and not degenerate, it must be balanced by independent institutions like trade unions. These arguments did little to calm the fears of those present, however.

"What happens when the students want to start up their own union?" someone shouted. "What happens if 90 per cent of the workers join the new unions and only 10 per cent stay in ours?" another demanded. Hardline speeches came from local party leaders in Poznan, Bydgoszcz and Wroclaw, all major urban centres which experienced strikes.

The candidates

As for the succession, there are several candidates. First, there is the Silesian interest. Silesia is Mr. Gierek's power base—he was First Secretary there for many years before becoming party leader. Many of the central party institutions are staffed by people from there and the fact that Silesia is by far the most important industrial area in Poland makes it a formidable lobby.

It is headed by Mr. Mieczyslaw Grudzien, the very antithesis of a liberal but much-weakened politically by the widespread strikes in the area this week. Nevertheless it is hard to see them letting influence slip from their grasp without a struggle.

The other basic power group is the Warsaw Party organisation headed by Mr. Alojzy Karkoszka which is a traditional recruiting ground for the higher reaches of power. Here there is Mr. Stefan Olszowski, a relatively young man reputed to be an advocate of those reforms necessary to bring the country out of the crisis and who was ready to agree to the new unions.

But Mr. Olszowski, too, supports a hard line towards dissidence and few expect him to favour any liberalisation in the wider sense. Mr. Olszowski is supported by the reformers but it is unclear whether he has the backing of the party apparatus and the Government's administration.

In the present climate of uncertainty at party headquarters, it is said that only Mr. Olszowski and Mr. Stanislaw Kania, the man in charge of the army and security, are in fact still taking concrete decisions.

Since the beginning of the crisis Mr. Kania has stuck to the view that use of force would be counter-productive for the authorities and some speculate that he, too, is leadership material.

Muskie unhappy about union aid

BY DAVID BUCHAN IN WASHINGTON

THE CARTER Administration is ready to try to underwrite increased credit for the Polish Government to buy more U.S. grain and farm products, but is unhappy about a cash contribution from the main U.S. labour federation to Poland's new independent trade union organisation.

Against the advice of Mr. Edmund Muskie, the Secretary of State, the AFL-CIO this week approved an initial $25,000 (£10,350) to help put the Polish trade union organisation on its feet.

Mr. Lane Kirkland, the AFL-CIO president, was loudly applauded when he told his federation: "The free trade union movement cannot advance in this world on little cat feet. I will not accept the suggestion that we pussyfoot about it at all." Earlier, Mr. Muskie had expressed misgivings to Mr. Kirkland that cash from U.S. unions might be misinterpreted as subversive by the Soviet Union.

Administration officials said yesterday that President Carter's letter to European leaders urging that the West do all it can to help Poland applied equally to the U.S.

But the Administration has not yet decided formally to meet Poland's request for an increase in U.S. Government agricultural credits from $550m this year to $670m next year. Mr. Jim Starkey, Deputy Under-secretary for Agriculture, said yesterday that a decision would not be taken until late this month or early October.

Polish officials from the central bank and Finance Ministry were in Washington this week providing the U.S. Treasury with information.

Mr. Starkey noted that each year some 70 countries sought a share in the U.S. agricultural credit programme of $2bn. Next year it would take the form of guarantees of commercial bank credit.

Czech attack on strikers

BY PAUL LENDVAI IN VIENNA

RUDE PRAVO, the central organ of the Czechoslovak Communist Party yesterday levelled strong attacks at unnamed "anti-socialist elements" in Poland for the second consecutive day and drew parallels between the 1968 crisis and invasion of Czechoslovakia and the current Polish situation.

The newspaper charged that "western anti-Communist centres" were stepping up their ideological subversion, and accused the West of waging "psychological war" against Poland and other socialist countries.

The hard-line Czech leadership, warning that Poland was "an important link in the socialist community" said the Czech experience was that counter-revolutionary forces not only attacked the socialist system frontally but from time to time strove for erosion and disruption from within. These forces also wanted to destroy the unity of the Warsaw Pact states, Rude Pravo added.

The Czech papers have been much more critical of events in Poland than the media in neighbouring Hungary. Diplomats regard the flood of warnings emanating from Poland's neighbours as evidence of continuing concern about the future course in Poland

Soviet union leader 'poorly'

BY DAVID SATTER IN MOSCOW

THE LEADER of the Soviet Unions first independent trade union, Mr. Vladimir Klebanov, was reported yesterday to be in poor physical condition after treatment with strong behaviour modification drugs in a special psychiatric hospital in Dnepropetrovsk.

Mr Klebanov, a former mining foreman from the Donbas region, tried in December, 1976, to organise a union which would fight for Soviet workers' rights outside the official trade union structure.

Mr Klebanov's grievances against the Soviet trade unions were similar to those of the Polish workers against the official trade unions in Poland, which are also part of the structure of Communist Party control.

The Soviet trade union group was disbanded after a series of arrests in early 1977 and Mr. Klebanov was committed to the special psychiatric hospital in Dnepropetrovsk where Soviet dissidents have been held.

According to a reliable report, Mr. Klebanov has since been receiving continual forcible injections of behaviour modification drugs intended for severe paranoids or schizophrenics.

The effect has been to cause a severe swelling of Mr. Klebanov's face and to distort his features and speech. His complexion has become yellow and the effect of one of the drugs has been to distort his physical movements.

Mr. Klebanov has continued to insist that he is psychologically normal and to denounce his detention in hospital as a form of repression, but this has only led to him being given extra injections of drugs with painful effects.

According to the report, Mr. Klebanov is forbidden to walk in the corridor and is only allowed out of his room for one hour a day when 300 people at a time are taken for exercise in the hospital yard.

Mixed comfort for Carter

BY DAVID BUCHAN IN WASHINGTON

GOVERNMENT FIGURES released yesterday showing a modest dip in unemployment in August and at the same time a continued surge in wholesale prices provided mixed comfort for President Carter, whose handling of the economy is a bedrock issue in the U.S. election campaign.

The unemployment rate edged down from 7.8 per cent in July to 7.6 per cent last month. The Labour Department reported that total employment remained steady in August and the reason for the improvement was that more hiring in the broad manufacturing sector outweighed a further decline in construction industry jobs last month.

The producer or wholesale price index rose 1.5 per cent in August, compared with the index's 1.7 per cent increase in July, the Government announced yesterday. Two-thirds of the August increase was blamed on food prices, aggravated by this summer's drought.

Wholesale food price changes take a relatively short time to show up at the retail level, and American consumers could be paying sharply higher prices in the shops just as the presidential election enters its final weeks.

The emerging picture is of an economy recovering more quickly than anticipated from a recession that has done less than expected to depress inflation. The Administration can draw some relief from the fact that its forecast of unemployment rising to 8.5 per cent in the last quarter of 1980 so far looks pessimistic. Since the big increase in the number of people thrown out of work in April and May, the overall unemployment rate has shown relatively little movement.

But inflation is still high. Wholesale prices are a gauge of future consumer price movements, which are the most politically-sensitive measure of inflation. Apart from food, however, the Government reported that the rise in wholesale prices of other goods moderated slightly from July to August.

The wholesale price index last month stood at 249, with 1967 as the base year of 100.

The jobless rate for workers in manufacturing dropped a full percentage point last month, to 9.3 per cent, reflecting a recovery there evident from other economic indicators. But unemployment among construction workers rose another 2.2 points in August to 18.3 per cent compared with only 10.5 per cent last February.

Mr. Erkmen: defeat over policy

Demirel Cabinet shaken

By David Tonge

THE SURVIVAL of the present Turkish Government is in doubt following a parliamentary vote yesterday which forced the resignation of Mr. Hayrettin Erkmen, the Foreign Minister.

Mr. Erkmen had been accused by the opposition of neglecting Turkey's relations with Arab world and of following policies which were linking Turkey too closely to the West.

A censure motion against him supported 230 deputies. This is four more than the number necessary to bring down the Government in a vote of confidence. This shows that if the opposition remained united it could topple the minority Government of Mr. Suleyman Demirel.

Mr. Demirel has insisted that yesterday's vote cannot be treated as a vote of confidence, but he also faces censure motions against his Ministers of Finance, Energy and Health.

The Government has sought to strengthen Turkey's defence links with the West and has signed a treaty with Washington on the future of the U.S. bases in Turkey. It has said that by the end of this year it would apply for full membership of the European Community. At present Turkey is an associate member.

Mr. Demirel has been pressing for early general elections, believing that these would enable him to replace his present minority Government with one enjoying an absolute majority in Parliament.

£129m Franco-German Siberia deal

BY JONATHAN CARR IN BONN

A CONSORTIUM of West German and French companies has signed a DM 555m (£129m) deal with the Soviet Union for delivery of plant and machinery for an aluminium smelting project in Sayansk, Siberia.

The U.S. Government is known to have had some reservations about the deal on the grounds that it might undermine restrictions on sensitive exports to the East. But the West German side feels that it has been able to demonstrate to Washington that this fear is groundless.

The accord was signed in Moscow yesterday between the Soviet foreign trade organisation V/O Metallurgimport and the consortium, which comprises Kloeckner Industrie Anlagen, Duisburg, Kloeckner's French subsidiary and Humboldt Wedag of Cologne. Consortium deliveries for the Soviet project, which aims to produce 500,000 tonnes of aluminium a year, are due to start next year.

A financial credit covering deliveries under the German part of the deal has been arranged between the Soviet foreign trade bank and the West German concern, Ausfuhrkredit-Gesellschaft. This credit is covered by a Government-backed guarantee.

For the French part of the deal, worth FFr 420m (included in the overall total of DM 555m) a credit has been made available by a French bank consortium led by Société Générale.

Parallel to this accord, Kloeckner and Company, the holding company run as a limited partnership for the Kloeckner Steel, fuel and engineering interests, has signed a separate agreement with Moscow for the purchase of aluminium. Further details were not immediately disclosed.

Originally Kloeckner and Alcoa, the U.S. aluminium concern, were to have been involved in a joint project. Under it, the Russians would have received an advanced aluminium smelter involving an electrolysis process and complex steering machinery.

Alcoa apparently withdrew when the U.S. imposed restrictions on high technology trade with Moscow following the Soviet intervention in Afghanistan. Some officials in the U.S. believed that the West Germans were trying to evade these restrictions in going ahead with deliveries for the Sayansk project, and the matter was raised last week during the visit to Washington of Herr Hans Dietrich Genscher, the West German Foreign Minister.

However, the West Germans insist that they stand by their declaration that they will not step into business which U.S. companies lose because of restrictions imposed after Afghanistan. They say that their deliveries to the Soviet Union do not involve high technology—only basic plant and materials. It is assumed that the Russians themselves are seeking to provide the technological input from their own resources.

The Germans also stress that the planned deliveries do not fall within the scope of the list of sensitive products which Western countries have agreed not to export to the East.

The U.S. has been seeking to have the list expanded since the Soviet intervention in Afghanistan, but European countries have so far shown little enthusiasm.

Italy bomb suspect faces extradition

By David White in Paris

A COURT in Aix-en-Provence, southern France, yesterday recommended the extradition to Italy of Sig. Marco Affatigato, an extreme right-wing activist who was arrested in Nice a few days after the Bologna railway station explosion in early August.

The extradition order has still to be endorsed by the French Government.

The Italian authorities had issued four international warrants for Sig. Affatigato's arrest, the most recent being for theft and forgery of identity papers. The 24-year-old Italian has received two prison sentences in absentia, one for attempting to rebuild a Fascist party in Italy, the other for assisting the escape of another man, accused of murdering two policemen and of taking part in a fatal attack in 1974 on the Italicus express. That man has already been extradited.

France's extradition laws stipulate that a person may only face trial on the charges for which he has been extradited and that people cannot be handed over for political crimes.

However, the French have recently bent this second rule for what are considered serious crimes. It has allowed the extradition of several Italian activists of the extreme left, including two men suspected in the Aldo Moro kidnapping case.

Sig. Affatigato had been living openly in Nice for some months, working as a dishwasher in a hospital. He has claimed to have proof that he was in France at the time of the Bologna explosion.

Inflation falls

INFLATION in Argentina fell below 100 per cent last year—the first time it has done so for more than five years, according to cost-of-living figures released by the Economy Ministry, Robert Lindley reports from Buenos Aires. The increase over the past 12 months was 88 per cent, and the cost-of-living increase in August was 3.4 per cent, the lowest for more than three years.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates $365.00 per annum. Second Class postage paid at New York, N.Y., and at additional mailing centres.

French trawlermen reject manning compromise plan

BY ROBERT MAUTHNER IN PARIS

THE FRENCH fishermen's dispute, which disrupted cross-Channel traffic for several weeks during the peak summer holiday period, flared up again yesterday, when the Boulogne crews rejected a compromise settlement.

A draft agreement on manning drawn up earlier this week by a national mediation commission of government representatives, trawler-owners and fishermen, was rejected by 276 votes out of a total of 510 at a mass meeting of Boulogne trawlermen.

As a result, the Boulogne fishermen will continue their seven-week-old strike, though it was not immediately clear whether they would resume their tactics of blockading ports. Most of the independent inshore fisherman, on the other hand, have returned to work and lifted their blockades of harbours along the Normandy, Brittany and Mediterranean coast.

Only 193 of the 510 fishermen voted in favour of the proposals drawn up by the mediation commission to try to reconcile the position of the two sides of the industry.

If the compromise on trawler manning levels had been endorsed by the fishermen, the boats would have sailed immediately with existing 22-men crews while a new agreement on crew sizes was being negotiated by a deadline of October 1.

But the compromise nevertheless called for acceptance in principle of a reduction in the size of crews through the operation of a shift system.

The fishermen's decision was a victory for the Communist-led CGT union, which had rejected the compromise from the start. The socialist CFDT, which claims that more than half the Boulogne fishermen are members of its organisation, favoured acceptance of the draft agreement, but did not formally instruct its members how to vote.

Basque MP committed to prison

A LEADING member of the radical Basque nationalist coalition in the Navarre regional Parliament who was detained last weekend for questioning under the prevention of terrorism Act, was yesterday committed to prison. Jose Antonio Urbiola, who is the deputy speaker of the Regional Parliament, is expected to face charges in connection with his alleged links with the hardline military wing of the ETA separatist guerrilla organisation, according to the police.

The new development in the so-called "Urbiola case," which has sparked off widespread protests this week among radicals in the Basque country, is believed to be connected to a bid by the Madrid Administration to have the local Basque "People's Unity" coalition declared illegal. The radical coalition has long been held to be a political front for ETA and it was a statement by Sr. Urbiola to the effect that the coalition supported the aims and strategy of the terrorist movement that led to his detention last Saturday.

Israel to start work on new Gaza settlements

BY DAVID LENNON IN TEL AVIV

ISRAEL will begin building two new Jewish settlements within a month in the Gaza Strip, captured from Egypt in 1967. The move is hardly likely to improve the already strained relations between Israel and Egypt who have just agreed to reopen negotiations on the future of Gaza and the West Bank of the Jordan.

The new settlements will join six built earlier in the densely populated strip, and are part of a group of four. The other two to be built later, according to the Jerusalem Post.

Egypt is highly critical of Israel's policy of building Jewish villages in the occupied territories, which it regards as contravening the spirit of the Camp David Agreement to negotiate self-rule for the Palestinians living in the Gaza Strip and the West Bank.

In a message carried to Egypt this week by Mr. Sol Linowitz, the U.S. mediator, Israel informed Egypt that it would end its settlement programme in the West Bank when it had built 10 new settlements, bringing the total to 85.

However, no mention was made of the Gaza Strip, and it is now reported that the Government is also examining the possibility of building a new cluster of settlements astride the border between the Strip and Israel. These will be located east of Rafah at the southern end of the Strip and are planned as part of a Jewish buffer region between Egypt and the towns of the Gaza Strip.

Originally the Jewish settlements in northern Sinai were to serve as a barrier along the traditional invasion route from Egypt to Israel, but these had to be abandoned under the peace agreement between Israel and Egypt. Israel has now decided to press ahead with its plan to construct the barrier of settlements further north, in the Gaza Strip.

The Gaza strip with its population of over 400,000 Palestinians — half of them refugees —squeezed into an area of only 140 square miles is one of the most densely populated areas in the world.

Warning to investors in South Africa

By Bernard Simon in Johannesburg

U.S. COMPANIES with investments in South Africa will face growing pressure to implement codes of fair labour practice, according to a leading U.S. civil rights campaigner, Mr. Leon Sullivan.

Mr. Sullivan, a director of General Motors, is the author of the "Sullivan principles," a set of guidelines which aims to encourage American companies in South Africa to improve their black employees' living and working conditions.

Some 140 companies, including almost all major U.S. investors, have signed the principles. About 325 U.S. investors in South Africa are considered large enough to warrant adherence to the principles.

Mr. Sullivan, who is on his first visit to South Africa, said he would support action against U.S. companies who were unwilling or unable to adhere to the principles, failed to or refused to have their performance monitored.

He added that he would ask the U.S. Government to consider tax penalties and other sanctions against such companies. "I'm going to turn the screws on you," he told members of the American Chamber of Commerce in Johannesburg.

Companies' progress in implementing the principles is monitored regularly by a U.S. group of management consultants. In their last report, issued late last year, 22 companies were listed as making "good progress," 62 were making "acceptable progress" and nine "needed to be more active." Businessmen in Johannesburg said a new performance report would be issued soon.

● The Seychelles Government has withdrawn landing rights to South African Airways aircraft, apparently for political reasons. The airline had announced earlier this week that its flights to Hong Kong would in future be routed via Mauritius, and admitted yesterday it had had early warning of the decision.

Giving investors an edge in competitive world markets

BY KATHRYN DAVIES IN COLOMBO

THE FRAMEWORK for a fully liberalised economy has been created in Sri Lanka by eliminating import controls, equating currency rates to realities and removing many restrictions on exchange control, foreign remittances and foreign travel, a Financial Times conference in Colombo was told yesterday.

Mr. Upali Wijewardene, director-general of the Greater Colombo Economic Commission, said that as a result of incentives offered to foreign investors by the Government since early 1978, Sri Lanka was proving to be a base for industrial expansion, with low costs giving investors an edge in highly competitive world markets.

Within the last two years the commission had approved 121 projects from 25 countries with an estimated total investment of 3,353m rupees (£86m), of which more than two thirds was foreign capital.

Dr. W. M. Tilakaratna of the Ministry of Finance and Planning said that the Government's programme in the public sector was biased largely towards providing the social and economic infrastructure in which higher levels of investment and production by the private sector would become possible.

The Government would also welcome foreign participation in Sri Lanka's public corporations which were in need of rehabilitation, review and the infusion of managerial talent. The Government's number one priority remained the reduction of unemployment, although even if Sri Lanka achieve the high rates of investment envisaged over the next four years, there would still be 450,000 out of work by the end of 1984.

FINANCIAL TIMES
The new SRI LANKA
Business Opportunities
CONFERENCE

The social consequences of development policies should be given higher priority, said Mr. J. B. Maramis of the United Nations Economic and Social Commission for Asia and the Pacific. Mr. Maramis said that in spite of low rates of overall growth and relatively low per capita income, Sri Lanka has, among the developing countries, one of the highest indices when measured by the physical quality of life index.

Its highly literate population, nationwide system of medical care, comparatively egalitarian distribution of income and assets and thriving democratic political system "are social assets to be envied even by countries which may have attained much faster rates of overall economic growth."

Sri Lanka's agricultural sector will continue to offer the greatest opportunities for meeting employment, export promotion and import substitution objectives, said Mr. Tun Thin, Director of the International Monetary Fund's Asian department. Investments in agricultural infrastructure and irrigation presently contemplated in the Government's medium-term investment programme would transform the environment for field-crop agriculture in the 1980s.

An upgrading of Sri Lanka's commercial laws was promised by the Minister of Trade and Shipping, Mr. Lalith Athulathmudali. "Before the end of this Government's period in office every possible commercial law should be up to date in this country," he said.

An unprecedented number of investment proposals have been put to the foreign investment advisory committee since 1977, the committee's chairman, Mr. C. Chanmugam, told the conference. The total foreign capital component of the 113 projects approved in 1979 was R1214m — 15 times more than that in 1978. According to the figures for the first six months of this year, foreign capital investments total R1,502m, more than that for the whole of last year.

There will be plenty of opportunities for foreign participation in the various types of commercial and industrial development associated with the Mahaweli Ganga development scheme, according to Mr. Gamini Dissanayake, Minister of Mahaweli Development.

These opportunities would occur in agriculture, agro-industries, fresh water fishing, hotels, tourism and recreation, housing and construction, manufacturing industry, textiles and garments.

UK NEWS

Review of listing procedures welcomed

By Raymond Snoddy

CONSERVATION SOCIETIES yesterday welcomed the decision by Mr. Michael Heseltine, Secretary of State for the Environment, to review immediately the procedures for listing buildings of historic or architectural interest.

Mr. Heseltine is particularly anxious to see whether the time between the recommendation that a building be listed and its formal addition to the list is too great.

He is asking local authorities to identify buildings of particular importance that they bave recommended which should be taken from the pipeline and given priority listing.

The Department of the Environment initiative was provoked by the demolition last month of the Firestone Building in west London, which had been recommended for listing.

Mr. Heseltine said: "I greatly regret the events surrounding the recent demolition of the Firestone building. The building was not on the statutory list of buildings of architectural and historic interest—which would have protected it over the Bank Holiday weekend—but it was known that my Department was considering its addition to the list."

The Victorian Society said yesterday it bad heen concerned about the backlog in listing for some time "and we much welcome the fact that the Environment Secretary is aware of the prohlem."

Hermione Hobhouse, secretary of the aociety, said it was unfortunate that there had to be "a martyr building" before action was taken.

She said that the small number of inspectors available to investigate buildings meant full revisions of the original lists, due to be carried out during the 1980s, would probably not now be completed until the turn of the century.

Thirteen part-time inspectors evaluate buildings, the equivalent of four full-time workers.

Mr. Heseltine said there had been no reduction in staff since the change of Government. There were over 270,000 buildings on the list and 7,000—8,000 were added each year.

MPs urge more control over demonstrations

BY RICHARD EVANS, LOBBY EDITOR

THE CONTROVERSIAL Public Order Act, 1936, through wbicb marches and politicai demonstrations are controlled, should be retained and strengthened, according to a report publisbed yesterday by a select committee of MPs.

The Conservative majority on the Home Affairs Committee recommends that the Home Secretary shonld retain his powers to anthorise "blanket" hans on processions if be fears they will seriously threaten public order.

This provision and others were strenuously opposed by the Labour minority on the committee, led by Mr. Alex Lyon, former Home Office Minister.

The Labour MPs argued that existing criminal and civil lawa were sufficient to deal with violence and that the power to han marches was wrong and undemocratic in principle.

The Home Office is conducting a review of public order legislation following criticism of the violent picketing at Grunwick and the Southall and Lewisham riots.

The main recommendations made by the committee, chaired by Sir Graham Page, Conservative MP for Crosby, are:

- The criteria applied by pollce chiefs for lmposing conditions on a march should be extended to include reasonable prospects of serious disruption to the normal life of the community, as well as of serious public disorder as at present. But the criterion for banning a march should remain solely the fear of serious public disorder.
- The provisions of the Public Order Act should be extended to cover static demonstrationa as well as marches and processions.
- The organisers of any procession should he required to tell the local chief constable of their plans 72 hours in advance. This could clearly have the effect of hanning flying pickets.

Sir Graham aaid the public wanted a recommendation of this sort. Fines of up to £400 would be imposed on organisers for breaking the 72-hour notice rule.

The report suggests the police should be encouraged to control the use of flags, banners and emhlems likely to provoke a breach of the peace.

Fifth report from the Home Affairs Committee, session 1979-1980; the law relating to public order; SO £3.90.

Unions seek changes in Labour agendas rule

BY CHRISTIAN TYLER, LABOUR EDITOR

TRADE UNIONS affiliated to the Labour Party bave begun their campaign to have the party'a constitutional hattle settled at the Blackpool conference next month.

Mr. David Basnett, of the General and Municipal Workers Union, has written to Mr. Ron Hayward, general secretary of the party, urging the national executive committee to readopt the three-year rule governing conference agendas.

The unions, be says, believe that the rule should be reinstated for constitutional issues

Unions are demanding more lnflueoce over the party's financial management as a cooditioo of raising tbeir affiliation fees to the full amount suggested hy a commissioo of inquiry. The same pressure may be put on to aecure the three-year rule although the threat has so far remained unstated.

The affiliated unions, with a total of 6m votes at the party conference, will meet again on the eve of the Blackpool gathering.

Powell calls for tax rise

BY RICHARD EVANS, LOBBY EDITOR

MR. ENOCH POWELL attacked the Government last night over its economic strategy, particularly the failure to control public expenditure, and suggested the answer was to "tax heavily, ruthlessly and comprehensively."

He told a conference of the Royal Institute of Public Administration at Nottingham that there was no other honest way to restore within the available timescale tbe proper financing of public expenditure. "If that counts as a U-turn so be lt."

Mr. Nell Kinnock, Opposition spokesman on education, said the Government's economic strategy was ruining Britain's economy. Another two years without substantial change could depress industry to the point of no return.

Decline in wine trade deepens

By Gareth Griffiths

WINE SALES in the U.K. are continuing to slow down with no sign of any immediate upturn according to figures released by the Wine and Spirit Association yesterday.

Customs and Excise wioe duty figures for May showed a 37.8 per eent fall compared to tbe same month last year. The monthly total of 25,195,700 litres was 11,972,800 litrea down on the 1979 figure.

This dramatic fall is misleading and overestimates the weak position of the wine business. Wine sales have heen doing badly this year but comparisons with 1979 are distorted by heavy pre-Budget huying then. But the wine trade is still worried that the 1980 figures are well down on 1978.

A more realistic guide to the state of business is the moving annnal total of wine on which duty has been paid. To May the total was up 5.1 per cent on 1979 but the increase had slowed down from 11.4 per cent in April. That slow down is likely to berepeated in figures for tbe summer months.

Heavy wines, mainly ports, have borne the brunt of the decline. Light wines, because of promotion of cbeap table wine by several supermarket chains, have beld up relatively well.

Publishers bid to end misuse of copiers

By Raymond Snoddy

THE Periodical Publishers Association, which represents nearly 80 per cent of Britain's magazine publishers, has drawn up a code to try to prevent multiple illegal photocopying of their publications.

The association claims local education authorities are the main culprits and that their resource centres are running off multiple copies of books and articles for schools.

"This is happening on a very grand scale. Tbousands of copies are being made of magazine articles," Mr. Gordon Hurst, secretary of the Periodical Publishers' Association copyright committee said.

The association's Code of Fair Practice aims to lay down the law and see it is obeyed.

Single copies for personal study, filing or space-saving are permissible under the code, but not copying to evade purchase, for anthologiea or for sale.

Mr. Hurst aaid the Music Publishers' Association had taken legal action against Wolverhampton Metropolitan Authority and had won an out of court settlement.

Several bodies are investigating how to cope with such infringements of copyrigbt, and the Department of Trade is preparing a Greeo Paper on the subject.

500 forestry jobs saved

BY RAY PERMAN, SCOTTISH CORRESPONDENT

MORE THAN 500 forestry jobs threatened by the closure of the Fort William pulp mill bave been saved by export contracts for 200,000 tonnes of Scottish pulpwood a year to Scandinavia.

The Forestry Commission said yesterday that shipments will begin in November — at about the time Wiggins Teape'a pulp mill is to close with the loss of 450 joba.

The export contracts have been agreed with a number of companies, mostly in Norway and Sweden, and will last for three years. They were negotiated by the commission in close co-operation with private suppliers and timber merchants, which will provide balf the wood.

Prices heing paid by the Scandinavians are not being disclosed, but the commission said they would be roughly similar to levels obtained up to now in Scotland.

However, Sir David Montgomery, Cbairman of the Forestry Commission, said that exports were regarded as a short term measure designed to aafeguard jobs in forestry and transport which would otherwise be lost by the closure

The main aim of tbe commission would continue to be the promotion of alternative wood processing industries in the Scottish Highlands. This had been made clear to all prospective buyers from Scandinavia and the terms of export contracts would enable the commission to respond to any new proposals for using the wood in Scotland.

Duport Steel to shed 275 jobs

FINANCIAL TIMES REPORTER

DUPORT STEEL is to make 275 people redundant at its Llanelli works by the end of the year, in addition to the 300 laid off in April.

The privately owned company, which employs about 1,350 people, said that the new cuts would affect its output capacity only slightly: The company felt it was in the trough of the recession, and was boping for a recovery in demand towards the end of the year or early next year.

The Perkins diesel engine company at Peterborough is cutting 150 administrative jobs, after making redundant 900 production workers earlier in the year. It bas blamed fierce international competition and the recession for the cutbacks.

With a total workforce of 9,000, Perkins is the world's biggest manufacturer of diesel engines, exporting 85 per cent of its output.

Racal, the electronics group, confirmed yesterday that it would have to make np to 650 redundancies and retirements at its Decca subsidiary in order to bring the company hack into profit.

Racal said that there will be 350 redundancies, out of a total workforce of 7,000, due to a slimming down of the company's small boat radar operation.

There were also up to 350 people near or at retirement age at Decca who were to lose their jobs.

The Aladdin vacuum flask factory in Hartlepool made 90 workers redundant yesterday because of falling demand. Only last month the company put the total workforce of 350 on a four-day week in a hid to avoid pay-offs.

The closure of two clothing factories at Chatteris, Camhridgeshire—Katerina Fashions and Tony Powell Sportswear—is to make 80 people unemployed, mainly women; the companies blame the recession.

W. A. Gould Holdings is to close its luggage and sports bag factory in Kettering, Northants, because of a fall in demand. About 40 workers will lose their jobs. Production is being transferred to the company's Walsall plant.

Outline of dawn raid regulations revealed

BY CHRISTINE MOIR

THE DAY of dawn raids is over. At least the Council for the Securities Industry hopes so.

The broad brusb regulations foreshadowed yesterday — details have yet to be supplied by the working party and the Stock Exchange in time for the October 2 CSI meeting—will outlaw surprise attacks on more than 15 per cent of a company's sbares.

Below that level, tbe council hopes, companies will not mind share stakes changing bands and predators will not be willing to mount expensive market forays to snatcb them.

However, should that forecast prove incorrect, "the council will stand ready to reduce the level of 15 per cent or to make regulations covering acquisitions in this area, if for any reason this proves to be necessary."

In these words the CSI underlines its determination to end one of the market's favourite occupations this year. It "has no wish to lnterfere unnecessarily ln market operatlons," according to yesterday's document, "but recent history has demonstrated the need to balance tbe interests of the raider against the widely-beld views about the need to protect the interests of the target company and its shareholders."

From now on any predator which wants to buy more than 5 per cent of the voting capital of a company, thereby taking its own stake to 15 per cent or more of the equity, will need to give five days' notice

Market operators, who have conducted 10 dawn raids this year, bad expected that some delay would he built into the new regulations, but few bad expected it to be of this length.

The Stock Exchange's own investigative committee, whlcb studied the controverslal De Beer's raid on Consolidated Gold Fields in February, had only recommended a half-hour notice period.

That modest interruption to the market met stiff opposition within tho Stock Exchange Council but it bas been overruled by the CSI announcement.

The CSI has left it np to the Stock Exchange only to sort ont the detail of the tender offers which will normally replace dawn raids.

Whichever method is chosen, the operation—after the notice period—will start at 9.30 am and continue until 12.30 pm, normally without the shares being suspended.

Buyers will also be permitted to make partial offers if they prefer these to the tender system. But the CSI bas firmly decided against making tbis the only method of obtaining a stake below the 30 per cent which triggers off a full bid.

Predators will not, under the CSI rules, be able to use the loophole ln the disclosure provisions of the Companies Acts.

UK NEWS

TUC AT BRIGHTON

Why canned sprats are something of a red herring

WHEN IS a sprat not a sprat? Answer: when it is canned for sale in the UK. Then it must be called "sild," writes Richard Mooney.

British fish canners claim that this situation, which results from the ludicrous tangle of UK food labelling regulations, is costing them a large slice of the home market and denying the country's fishermen a potentially valuable outlet for their catch.

The trouble is that British consumers seem to find the term sild every bit as unappetising as sprat. So the canners want to call their canned sprats "Scottish sardines" or "brisling sardines," names they believe would be less offputting.

Before the cry of "deception" goes up it should be pointed out that while sprats certainly are not sardines from a zoological standpoint, neither are they sild, which is the Norwegian word for young herring. Under labelling regulations as they stand, however, sild is all they can legally be called in the UK once they are put in cans. Amazingly, even the correct name of sprat is ruled out.

They could be called "brisling" if it could be guaranteed that the cans contained no young herring, which can only be called sild. But this is impossible since the two species frequently swim together and it would not be feasible to separate them before canning.

Consumer tests carried out by the Canned Food Advisory Service (CFAS) have shown that when the name is not a factor few consumers can distinguish between canned sprats and canned sardines, and those who can rarely have a taste preference between the two. The canners claim, therefore, that the principal of "passing off" does not apply since the distinction between the two products is not one of quality.

In the UK 60m cans of imported sardines, worth £20m at shelf prices, are consumed each year. But sales of sild are negligible. British processors believe they could win a substantial share of the home market if their product was not saddled with the name sild.

Export experience tends to support this contention. Described as Scottish, Cornish, Irish and brisling sardines, between 30m and 35m cans of British-caught sprats are exported annually, indicating that foreigners find the product appealing under those names.

The canners' problems began in 1915 when a Portuguese producer won a British court ruling reserving the name sardine for the young of sardina pilchardus (pilchards). Previously the term had been used to describe any small oily fish packed flat in cans with the heads removed. This is still the case in most other countries, including the U.S.

In view of the strength of the consumer protection lobby in Britain, the canners will have to battle very hard indeed to have the 1915 ruling reversed. They are trying to enlist the support of the consumer associations in their fight, however, and if they succeed victory is not out of the question.

CFAS claims sprat "sardines" could win a big enough share of the home market to provide work for an entire fish processing factory. Extra jobs would also be created in the can manufacturing industry and some of the pressure on the fishing industry would be relieved. With unemployment at its present level, this argument could just tip the scales in the canners' favour.

Air show boost for industry orders

By Michael Donne, Aerospace Correspondent

BRITISH aircraft companies are confident of clinching orders worth several hundred million pounds after the business days of the Farnborough International Air Show this week.

Mr. Eric Beverley, commercial director of the Dynamics Group of British Aerospace, and president of the Society of British Aerospace Companies, said yesterday it was widely accepted that the air show was the best ever staged by the industry.

Trade attendance is estimated at more than 50,000 visitors from more than 100 countries.

Many officials from the 500 British and overseas companies taking part in the exhibition echoed Mr. Beverley's view.

While it is accepted that many orders announced during the show—over £200m worth, including £100m for the updating of the UK air defence system—were the result of months, and even years of negotiations, it is also acknowledged that the thousands of separate business discussions held during the week are likely to result in many new contracts in the near future.

It is difficult to place a precise figure on the value of such business, but spokesmen believe that it could run into several hundred million pounds, and all those to whom I spoke were clearly delighted with the opportunities the show had created.

The recession has had little effect on the aerospace industry, and order books are full across the industry, from civil and military airframes to engines, electronics, and components and equipment.

If the UK aerospace industry has a problem, it is one of shortage of skilled labour — a point repeated many times during the week.

The show is given over to the public this weekend, with more than 200,000 people expected to watch the best flying display yet staged in this country. More than 80 types of aircraft will take part, ranging from the Royal Air Force Red Arrows aerobatic team and the big air-liners, such as the Airbus and TriStar, to the smallest types, such as the new Edgely Optica observation aircraft.

Hafren-Severn TV posts for Lord Hooson

Financial Times Reporter

LORD HOOSON, the former Liberal MP, has been named as chairman of all three boards at Hafren-Severn Television, the sole contender for the Wales and West of England ITV franchise held by HTV.

Hafren-Severn announced its line-up of directors yesterday, and said the company would have three boards: a main board and local boards for the West and for Wales.

Among the directors named were Olympic gold medallist Lynn Davies, ex-Welsh rugby captain Clive Rowlands, and fashion designer Laura Ashley.

OBITUARY

Former Dean of St. Paul's dies in New Zealand

THE VERY Reverend Dr. Martin Sullivan, KCVO, former Dean of St. Paul's, London, died in Auckland, New Zealand, yesterday. Dr. Sullivan was Dean of St. Paul's from 1967 to 1977. He was 70.

Born in Auckland, he was Archdeacon of London and a canon of St. Paul's before being appointed Dean. Last year he was made Knight Commander of the Royal Victorian Order, but as a clergyman he was not referred to as "sir."

During his tenure at St. Paul's he was sometimes criticised by more staid churchgoers as being a controversialist. During the London run of the stage show "Hair," he held communion at the cathedral for the cast.

Liverpool port loses £2.54m

BY RHYS DAVID

THE PORT of Liverpool lost £2.54m in the first half this year and the volume of traffic through the port fell 15 per cent on the same period of 1979. The company has also warned that conditions are deteriorating and this will be reflected in the full year results.

The loss, announced yesterday by new chairman Sir John Page, follows a £7.46m deficit last year and is expected to lend urgency to a major study of the port by the National Ports Council and the Mersey Docks and Harbour Company for the Department of Transport. This is expected to be with the company's board in a matter of weeks, and is likely to suggest a number of harsh options for restoring profitability.

The port's problems are being blamed mainly on the UK recession, but Liverpool has had extra difficulties. Dockers brought the port to a standstill earlier this year in support of the national steel strike at a cost, according to Sir John, of £1m in revenue.

Since the strike UK steel exports, a significant proportion of which pass through Liverpool, have been badly down. Port officials also fear that under its new management the British Steel Corporation will reduce its involvement in Far East export markets, which are served by Liverpool.

The port has also been affected by the decline in UK exports to the U.S.

The port, which emerged in its present form less than 10 years ago after the previous Mersey Docks and Harbour Board had been made bankrupt, claims to have increased productivity by 30 per cent since 1978, mainly by reducing its labour force, but the high cost of rationalisation is one of its main burdens.

In the first six months of this year £960,000, out of £2.54m losses, represents funds set aside for severance payments to non-registered dock employees who volunteered to leave the industry by the end of the year.

In the first half of this year a total of 212 non-registered workers left the company, bringing the total down to 3,337 and a further reduction is being sought. The number of registered workers has been reduced by 157 this year but a further 500 are due to go. The port has a new problem, however, with the decision of the private stevedoring company T and J Harrison which employs 168 dockers to cease handling cargo from September 30. Under UK port practice other cargo handlers, the biggest of which in Liverpool is the Mersey Docks and Harbour Company, are obliged to take on the redundant dockers but the port employers have said they are unable to do so.

Sir John, who took over in Liverpool earlier this year from the chairmanship of the soon to be disbanded National Ports Council, said yesterday that the matter was still under discussion by the National Dock Labour Board. It was hoped a satisfactory solution could be found to the problem before the September 30 deadline. Dockers in Liverpool and Southampton have threatened to strike if men made redundant are not taken up by other employers.

Liverpool's operating revenue in the first half amounted to £31.3m—a drop of £1m on the same period last year, but Mr. Fitzpatrick said yesterday the port had managed to hold on to its share of declining overall UK trade.

The port's main traffic problems are still concentrated in the older general cargo docks which have been affected by the switch to containers. The growth of business through the container terminal has also been hit although throughput this year expected to reach no more than 110,000 boxes against a 160,000 break even figure.

Boardroom rift over Nu-Swift interim account

By John Makinson

A BOARDROOM rift developed this week at Nu-Swift Industries, the Yorkshire fire extinguisher company, when a director failed to approve the group's interim statement.

Mr. Bernt Sorensen, the overseas marketing director, told Wednesday's board meeting that he could not put his name to the half-year accounts, which showed a slight increase in pre-tax profits from £514,000 to £520,000. The remaining seven Nu-Swift directors approved the statement sent to the Press.

The whole board endorsed an announcement made yesterday, acknowledging that the Press release "was approved by a majority decision of seven in favour with one against." The company added that no further clarification was necessary. Mr. Sorensen was unavailable for comment.

The Press release said Nu-Swift had revised downward its 1979 profits from £1,016,000 to £900,000 as final accounts from its Spanish subsidiary had shown a loss in excess of the amount included in last year's group accounts.

Managing director quits after Weir Pumps loss

BY ALAN FRIEDMAN

WEIR GROUP, the Glasgow-based engineering group which reported a half-year pre-tax loss of £2.4m earlier this week, has announced the resignation of Mr. Randy Spence, the managing director of its main pumps division.

Mr. Spence, who had been with the group for 20 years, is to be replaced by Mr. Ronald Garrick, previously deputy managing director of Weir Pumps.

The management change, according to Mr. John Young, group managing director, was partly a result of the losses in the pumps business which plunged the group into the red.

"His going is undoubtedly related to the poor performance by the division, but he was not singularly responsible for the loss. The senior management of both Weir Group and Weir Pumps must all share a measure of the responsibility for the loss."

Mr. Young added that within two weeks there would be other management changes at Weir Pumps.

Mr. Young said that the replacement of Mr. Spence had been foreshadowed in the group's interim profits statement on Wednesday, which included a reference to "executive management changes." Weir would continue to face tough going in the second half and losses would occur, although they would be smaller than in the first half of the year.

Mr. Young would not elaborate on plans announced this week for the Finance Corporation for Industry to join with Weir's banks in a full review of the group's operations and an assessment of future capital requirements. But he stressed that the banks and corporation had agreed on a basis for continuing support which included the linking of Weir assets to borrowings.

Group borrowings had not changed much since the year-end when they stood at about £45m. With the depletion of net assets of Weir down to about £32m (after deducting attributable losses of £4.2m) the group's capital gearing level was close to 140 per cent, he said.

Threatened strikes at four ports delayed

By John Lloyd, Labour Correspondent

INDUSTRIAL ACTION threatened in at least four of the country's major ports has been delayed pending the result of talks next Tuesday between the Government and leaders of the Transport and General Workers' Union.

Mr. Alex Kitson, the deputy general secretary of the TGWU, said yesterday that had a meeting not been arranged between himself and a junior Employment Minister "there would be an unofficial docks strike."

Mr. Kitson is to report on the meeting to a national delegate conference, probably later in the week.

The Merseyside Docks are at the centre of the dispute, but dockers at the major ports of Hull, Glasgow and Southampton have voted to support any action taken by their Liverpool colleagues.

The cause of the dispute is the proposed layoff of 178 workers, many of them registered dockers, from the two Liverpool stevedoring companies of Bulk Cargo Handling Services and T. and J. Harrison.

Both companies are closing down, the former on September 16, the latter at the end of the month.

Under prevailing practice, the workers would have been found jobs by other local employers. But the Mersey docks employers have said they will not employ the workers because they are already over-staffed.

The Mersey dockers had threatened to strike from September 17 if the first group of workers to be made redundant are not found jobs.

However, Mr. Kitson said that an agreement had been reached to delay the redundancies, thus giving some breathing space.

It has been proposed that the 178 workers, once redundant, should move on to the temporary unattached register which, under the terms of the Jones/Aldington agreement of 1972, is used only for disciplinary purposes or for dockers who are between work for a few days.

Dockers' shop stewards up and down the country see this move as a serious breach of practice which would lead to large-scale redundancies.

BL's market share contracts

AUGUST WAS a bleak month for BL, in spite of vigorous car sales in the UK nearly breaking the highest records. Importers prospered. The Japanese claimed a 19.7 per cent share of the market, a considerable increase on their sales during the corresponding month last year.

However, according to official statistics published today (see table), BL's market share shrunk to 15.29 per cent, down by nearly 4 per cent from August, 1979. This is a significant trend, in view of BL's recent, earnestly promoted price cutting campaigns.

The industry is preparing for a lean time during the rest of the year, in spite of the first upturn in sales since March. August is usually a bumper month for new car sales. The long-term prospects remain gloomy.

UK CAR REGISTRATIONS

	August 1980	%	August 1979	%	8 months ended August 1980	%	8 months ended August 1979	%
Total UK produced	83,847	36.18	89,459	41.56	470,223	41.10	574,106	44.20
Total imports†	147,929	63.82	125,776	58.44	673,887	58.90	724,711	55.80
Total market	231,776	100.00	215,235	100.00	1,144,110	100.00	1,298,817	100.00
Ford*	52,414	22.61	51,884	24.11	347,712	30.39	362,426	27.90
BL*	35,449	15.29	41,465	19.26	197,829	17.29	261,824	20.16
PSA—Talbot*	14,201		13,252		68,444		94,602	
Citroen	4,418		4,905		21,715		25,324	
Peugeot	4,818		5,048		19,975		29,071	
General Motors—Vauxhall*	16,285		13,433		85,980		85,346	
Opel	4,532		3,603		17,676		20,855	
Other GM	127		163		736		882	
Total GM	20,912	9.02	17,199	7.99	104,392	9.12	107,143	8.25
Datsun	25,391	10.95	16,324	7.58	77,134	6.74	74,240	5.72
Renault	10,976	4.74	9,925	4.61	66,699	5.83	68,725	5.29
Fiat Auto—Fiat	9,080		9,388		35,892		54,291	
Lancia	1,263		1,216		3,955		7,424	
Total Fiat Auto	10,343	4.46	10,604	4.93	39,847	3.48	61,715	4.75
VW/Audi	12,993	5.61	11,386	5.29	49,804	4.35	56,665	4.36
Volvo	6,945	3.00	6,131	2.85	28,327	2.48	27,582	2.12

* Includes cars from companies' Continental associates which are not included in the total UK figure.
† Includes cars from all sources including cars from Continental associates of UK companies.
Source: Society of Motor Manufacturers and Traders

Vandalism 'not caused by moral decay'

BY RAYMOND SNODDY

ALTHOUGH vandalism costs millions of pounds a year it is not symptomatic of something deeply wrong in Britain's "moral fabric" requiring drastic remedies. Some kind of neighbourhood action might be the best remedy.

Dr. Paul Ekblom, senior research officer of the Home Office Research Unit, told this to the British Association for the Advancement of Science in Salford yesterday.

The peak age of male vandals known to the police was under 10 years—the age of criminal responsibility—he said.

Dr. Ekblom said the essential problem of vandalism consisted of an accumulation of innumerable, rather petty or even trivial incidents. They included defaced road signs, scratched street furniture, uprooted shrubs, slashed bus seats, broken windows, and damaged telephones.

Most vandalism was against public rather than private property, by unsupervised young children or by older adolescents seeking prestige and excitement.

Home Office research projects indicate limited scope for changing vandals' behaviour, said Dr. Ekblom. The value of such apparently sensible solutions as deterrence, treatment of offenders, anti-vandalism publicity campaigns or improved leisure provision was very doubtful.

"Although there is no across-the-board solution to vandalism, better surveillance of public areas, better design and more robust materials can bring immediate gains.

Mr. John Alderson, the Chief Constable of Devon and Cornwall, said that cultural phenomena may be at the centre of the problem and its control. Vandalism was less conspicuous, if not entirely absent, in Japan, Israel and Switzerland.

Because of the nature of vandalism neither police nor the judicial system could be expected to provide the main solution, said Mr. Alderson.

Anger over attacks on nationalised industries

CONGRESS overwhelmingly approved motions calling on the TUC general council to campaign against the Government's use of cash limits for nationalised industries, and to resist the de-nationalisation programme.

The general council was asked to counter a Government campaign of "abuse, misrepresentation and belittlement" of nationalised industries, their management, employees, and unions.

Mr. Bill Sirs, general secretary of the Iron and Steel Trades Confederation, said the Government's policies with the public sector borrowing requirement was only cutting investment and creating unemployment.

"There is not a shred of evidence to prove that over the last two years there has been any saving to the country."

Mr. Simon Petch, deputy general secretary of the Engineers' and Managers' Association, said the Government was trying to portray the nationalised industries as a vast hole in the ground into which public money was poured.

Congress approved a motion on the shipbuilding, aerospace and telecommunications industries which called on all workers to refuse to buy shares in a de-nationalised concern, and for all such industries to be taken back into public ownership without compensation.

The general council was criticised by one of its constituent unions for failing to show enough public concern over the Government's plan to break the Post Office monopoly.

Loyalties to Labour divide delegates

DIVISIONS OPENED in the ranks of the TUC yesterday over the relationship between unions and the Labour Party. But eventually, congress approved a motion reaffirming its traditional, official position of party political neutrality.

The decision followed the refusal of congress earlier this week for economic and industrial reasons to work with the present Conservative Government, and the acknowledgment by TUC leaders of the overtures for a new social contract put forward by Mr. James Callaghan, leader of the Labour Party.

The motion approved by the TUC, from the apolitical Engineers' and Managers' Association, said that policies which placed undue emphasis on the achievement of purely party political objectives "might well be unnecessarily divisive." It was ruled by Mr. Terry Parry, the TUC chairman, to have been defeated by a show of hands but, on a card vote, the voting in favour by the transport workers, engineers, local government officers and civil servants was enough to defeat the miners, railway workers and others by 7,998,000 votes to 3,328,000, a majority of 4,670,000.

Mr. John Lyons, the EMA general secretary, moving the motion, said that there was a tendency in the TUC to lean too heavily on a future Labour Government to do everything for it. To be so dependent on one party only reduced the TUC's independence when that party came to power.

The present divisions in the Labour Party—which Mr. Lyons said were "clearly reflected in this congress" — between Left and Right over constitutional issues had increased the significance of the question.

"I believe it could place the unity of this congress under great strain if some of the new philosophies now being argued over in the Labour Party were to triumph, and were then to be imposed on the TUC either by a Labour government or by virtue of other unions' links with, and commitments to, the Labour Party," he said.

Mr. Lyons considered that no party political conference was to determine whether there should be an incomes policy affecting his members.

Seconding the motion, Mr. Leif Mills, general secretary of the Banking, Insurance and Finance Union, acknowledged

Reports by John Lloyd, Philip Bassett and Nick Garnett.

that most of the issues debated by congress were political—but they were not party political. It was the prerogative of unions to adopt party political attitudes, but equally other unions might not wish to do so.

The motion, however, was fiercely attacked by Mr. Eric Clarke of the National Union of Mineworkers, who welcomed the growth of white-collar unions in the TUC, but said that they could not force Congress into accepting this kind of a proposal.

Mr. Len Murray, the TUC general secretary, accepting the motion on behalf of the General Council, said that any member union was entitled to affiliate to the Labour Party, but that the TUC itself needed to be free to pursue the objectives defined by congress.

Fisher new congress president

THE BIGGEST single problem facing the trade union movement in the coming year was the Employment Act, Mr. Alan Fisher, the new president of the TUC said yesterday.

The TUC would be directly involved on the first occasion when a union ran into trouble over the law, said Mr. Fisher, general secretary of the National Union of Public Employees.

Mr. Fisher, aged 58, has replaced Mr. Terry Parry, leader of the Fire Brigades Union, as president. He said the overwhelming concern of the union movement would be unemployment.

He also warned that the Government's insistence on public sector cash limits would create difficulties. As with the law, a dispute involving public sector pay would inevitably involve the TUC.

Mr. Fisher is a vociferous defender of the rights of the low paid, and was heavily involved in the so-called winter of discontent in 1978-79. He was elected to the general council in 1968.

He is chairman of the Local Government Committee and, among other things, a member of the Finance and General Purposes Committee and the Economic Committee. Married and with three children, he lists his hobbies as the theatre and gardening.

Mr. Alan Fisher, new president of the TUC.

Restoration of free NHS treatment demanded

A MOTION demanding a big increase in the proportion of national income spent on health care, to restore free National Health Service treatment, was passed by congress.

It was proposed by the Hospital Consultants and Specialists Association.

Mr. Brownlow Martin, general secretary of the association, said that Europe had one third more doctors per head of population than Britain, and 25 per cent more hospital beds.

Dr. Stephen Watkins of the medical practitioners' section of the Association of Scientific, Technical and Managerial Staffs, said exploitation of women was so fundamental that every unionist should oppose it.

He was proposing a motion, amended by the Confederation of Health Service Employees and backed by congress, for the TUC to seek proper funding of such special health facilities for women as clinics and day care abortion services. Congress also decided to demand free screening services for diabetes — which can cause blindness — and full affiliated union support for the International Year of Disabled People next year.

● Congress is to campaign for the fourth TV channel to adopt the quota of British programming observed by ITV and the BBC.

Delegates approved a motion from the Association of Cinematograph, Television and Allied Technicians for an adequate level of long-term financing for the BBC. They also want satellite transmissions subject to firm regulatory control, and the congress is committed to resisting attempts to carry advertising on subscription TV.

● Business wound up with tributes from Mr. Terry Parry, the retiring president, to three members of the TUC general council who are also retiring from the council.

They are Mr. John Chalmers, general secretary of the Boilermakers' Union, Mr. Joe Gormley, president of the Mineworkers' Union, and Mr. Harry Urwin, of the Transport Union.

Their places on the council are being taken by Mr. James Murray (Boilermakers), Mr. Arthur Scargill (Miners) and Mr. Larry Smith (Transport).

Mr. Gormley and Mr. Urwin, who have been on the council for more than five years, received gold medals from Mr. Parry.

Howell deplores lack of policy on urban decay

THE PRIME MINISTER began her administration with a quotation from St. Francis of Assisi about hope and help for people who needed it, Mr. Denis Howell, president of the Association of Professional, Executive, Clerical and Computer staff, told congress yesterday.

Instead, said Mr. Howell, a former Labour Minister, the darkness had multiplied and the despair deepened.

Congress agreed a motion from APEX which was amended by the National and Local Government Officers' Association, deploring the lack of coherent Government policy to deal with urban decline and social deprivation.

Congress was opposed to the Local Government Planning and Land Bill which it agreed "will undermine the independence of local government."

Mr. Howell referred to social deprivation and urban decay. Thousands of citizens were living in urban areas with no jobs and no proper homes, he said.

Riots in Bristol earlier this year, he said, were largely the result of cuts in local and Manpower Services Commission facilities.

OTHER LABOUR NEWS

Few at meeting on Vauxhall pay

BY PAULINE CLARK, LABOUR STAFF

FEWER THAN 400 of Vauxhall motor company's 5,000 transport union workers at Luton turned up for a meeting on pay yesterday—further evidence of the apparent distaste of British car workers for a big pay battle this year.

The meeting decided to follow the vote of the plant's engineering union members this week to hold a secret ballot on the company's 8 per cent pay offer.

The offer to Vauxhall's hourly-paid workforce of 23,000 was rejected overwhelmingly at a mass meeting in Ellesmere Port on Thursday, but that meeting was also poorly attended by the 3,000 members of the Transport and General Workers Union.

Shop stewards at Luton said bad weather might have contributed to the poor turnout. But they also spoke of "apathy" at the plant, where the 10,600 hourly-paid workers are already on a two-day week because of the recession in the motor industry.

Engineers may be offered single figure pay rise

BY NICK GARNETT, LABOUR STAFF

ENGINEERING EMPLOYERS are expected to make a single percentage figure payrise offer next week at the start of the industry's national wage negotiations.

The Engineering Employers' Federation, which is to conclude consultations with member companies on Monday, has already told union officials that the industry could really afford nothing because of the state of profits and order-books.

The federation has stressed to union negotiators that the industry's productivity is not high enough and that a large wage deal would even further erode its weak position. Some Federation officials appear to believe that a very large proportion of workers accept that view.

The unions have submitted a claim and are looking for increases of about 20 per cent. They have told employers that such a level of settlement is justified and should, they believe, be shouldered by the industry.

The claim and the offer refer to minimum time-rates within the industry's two-tier bargaining system. Following last year's settlement after a long dispute, minimum time-rates will rise at the anniversary date of each member company's annual local agreement.

Pay appointment

PROFESSOR Sir John Wood, chairman of the Central Arbitration Committee has been appointed to succeed Professor Hugh Clegg as chairman of the Standing Commission on Pay Comparability until the commission is wound up early in the new year.

هكذا من الأصل

THE WEEK IN THE MARKETS

Gilts set the pace

LONDON

ONLOOKER

A STRONG pound put new heart into the gilt-edged market this week. On Monday sterling rose to a 5½-year high at over $2.40, following its rise in late trading in New York on the previous Friday. Gilts set the scene all week, only hesitant on Thursday when earlier hopes of a cut in MLR proved to be unfounded.

Equities by and large produced little on their own account for early in the week to justify any enthusiasm but the atmosphere which had encompassed the gilt market finally overtook equity dealers on Wednesday and share prices picked up with the 30-share index lifting just over seven points to 489.8.

On Thursday, however, the equity market bad some encouragement of its nwn. Second quarter income from BP was better than the City analysts had been expecting and Cadbury Schweppes also proved the pessimists wrong with its half yearly report.

BP's half timer

Who understands British Petroleum? Not the market, it seems. Thursday's second quarter figures pushed the shares up 16p to a high of 356p before leading them back down to 348p for a net gain of 4p on the day.

The fact that oil company shares frequently behave like the Duke of York's men on results day is largely attributable to the impenetrable accounting methods. In this case, analysts were working from a first quarter base artificially depressed by unrealised exchange provisions. Fnr a company like BP which can buy crude in dnllars, invoice it tn customers in marks and then convert back into sterling, the swings-and-roundabouts effect can be dramatic.

Behind the accounting adjustments, however, lies one clear piece of good news and one piece of bad. In retrospect, the severing of BP's Nigerian and Iranian supplies has rebounded to the group's favour. It has been forced nn to the spot market where the current glut has driven prices below contract rates. This bappy circumstance may well continue for the rest of the year since the gap left by Saudi supply cut-backs will almost certainly be filled by higher exports from Libya and Nigeria.

Furthermore, the Saudi policy will improve the competitive position of BP and Shell viz-a-viz the Aramco partners, leaving them better placed to withstand any pressure on margins.

The bad news is that BP's chemicals and plastics business is performing appallingly. The trading loss on chemicals in the UK was £34m over the first balf, which makes even the recent dismal figures from ICI read like a success story. The company has already made sizeable redundancies, but it would be surprising if more cnts were not made before the end of this year.

BICC says 110p

BICC took a lot of stick for the manner of its first approach to Higgs and Hill earlier this year, and deservedly so. There was Higgs pottering quietly along and enjoying its independence — when out of the blue BICC announced that it would like independent anditors to take a look at Higg's books. If it liked what it saw, it said it would make a bid.

This was like someone trying to cash in the dowry before buying the engagement ring. Higgs' reaction was predictably crisp.

This week, however, BICC has put itself in a mucb sounder position as a would-be wooer. It still wants an independent look at the books. But it has now put itself on the line hy promising to pay 110p per share subject to a favourable anditors' report—which it wants drawn up in conjunction with Higgs' existing anditors. And it is not going to use such a report as a basis for haggling. Its offer stands even if the net assets are found to be as much as £2m below the last book figure nf £12.3m.

Why is all this thonght necessary? The answer is that bidding for a medium sized building contractor is not like huying a manufacturing company. The numbers depend to an enormous extent on the skills of the tendering department, and one successful (or duff) contract can make s hig difference to the values. BICC knows all about this, having being hit by large contract losses after buying Tersons a decade ago.

BICC's conditional offer of nearly £10m looks reasonably attractive in relation to Higgs' profits record and its share price before BICC first made its approsch. Higgs' shareholders should be given the chance to make np their own mind.

Sweeter Cadbury

The pessimists got a surprise from Cadbury Schweppes this week. Despite the decline in the cnnfectionery trade, retailers' destocking and the severe pressures on margins in the U.S., the sweets and drinks group managed to hold balf-time pre-tax profits at £21m, just £700,000 short of the compsrable period.

UK confectionery volume slumped around 9 per cent during the six months, but aided by an increase in market share and the big productivity gains achieved in the previous 12 month, Cadbury actually pushed up its overall UK trading profits by a tenth to £17.2m. Outside of confectionery, demand has not been too had. The company says that most of the advance at home came from the drinks, tea and food divisions. Trading profits were up from each, and even confectionery produced a small increase.

Meantime across the Atlantic, life bas been even more difficult. From a modest rise of £2.1m in sales to £53m, trading profits collapsed from £2.3m to under £1m. Admittedly 1979 inclnded £600,000 of royalties that have since expired. Both the drinks and confectionery operations are under pressure. Coco-Cola and Pepsi bave increased their marketing budgets and Peter Paul (confectionery) must wait impatiently for the market leaders, sucb as Mars, to increase their prices.

Since the first balf the poor summer weather bas taken some of the steam out of Schweppes in the UK but there are some tentative signs that the confectionery market might be picking up at long last. However prospects will be influenced hy the pricing policy of Rowntree as it trys to fight back.

Clearly the full year outurn will depend beavily on the final quarter with its Christmas drinks and chocolate sales but the stock market is encouraged. It marked the shares 4½p bigher to 66p wben the interim was announced and talk is of a small increase on last year's £57.3m this time round.

Grand Met leaps

Grand Metropolitan scarcely had time to swallow, let alone digest, the large U.S. tobacco and drinks group, Liggett, hefore a fresh acquisition opportunity arose two weeks ago.

When Coral Leisure reported an interim profit collapse on August 22 Grand Met directors, who had occasionally looked covetously on Corals chain of betting shops and the Pontin's holiday camp business in the past, decided to study the troubled group more carefully.

Coral's bad results and the slide of its share price to 54p also refuelled pnblic speculation that a bid might he imminent as the only solution to the rising costs of its large debt load and the challenges nf the police and the Gaming Board to its London casino licences.

Grand Met moved quickly and put together an attempted shntout offer tn exchange 13 nf its shares for every 20 Coral shares. That valued Coral at £85m based on the 155p pre-hid price of Grand Met shares on Monday), representing a 67 per cent premium over the 60p price of Coral shares on Monday morning. Not surprisingly, Coral directors embraced the approach enthusiastically. Later, in the week, Grand Met took the further precaution of buying a 6 per cent stake in Coral in the market but so far no counter hidders have emerged and Grand Met does not expect any.

Coral's net worth, following a recently revaluation of assets, is probably close to the hid price and Grand Met may get some short-term return if a deal in the works to sell a two-thirds stake in Coral's Centre Hntels chain to the Taj group of India for ahout £27m goes through. A reference to the Monopolies Commission is also possible, given the link-up of the two group'a hetting shop chains. Grand Met claims that even together the 1,300 Mecca and Coral shops would not be the largest chain in the country and would account for less than 10 per cent of the market.

Nevertheless, the huge group, which has major interests in distilleries, breweries, hotels and dairy products as well as gaming and hetting, is considering selling, or floating off, within the next year some of the businesses that have reached a mature status.

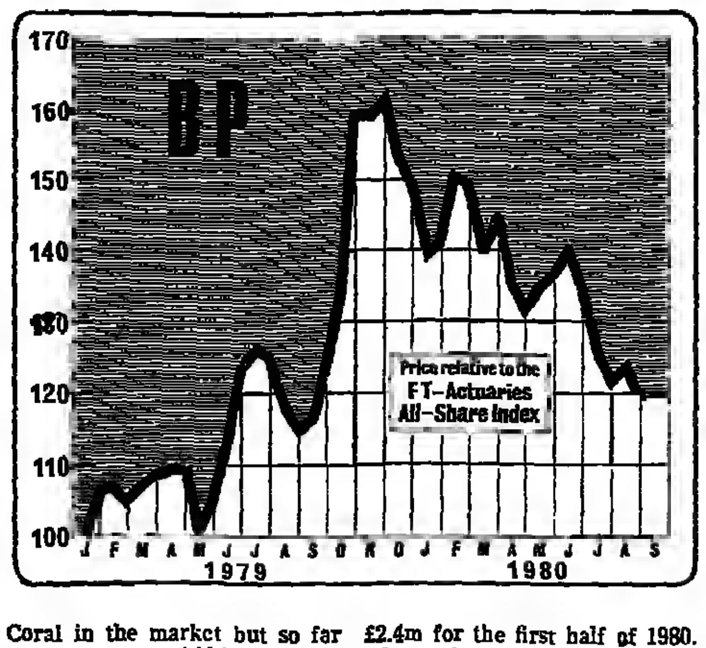
Weir in red

THE news from Glasgow was none too cheerful this week as the Weir Group, Britain's premier manufacturer of pumps and related equipment, unveiled a discouraging pre-tax loss of £2.4m for the first half of 1980. Along with the figures came the even less happy news thst Weir's hankers had teamed up with the Finance Corporation for Industry to scrutinise the company's "scope of operations" and to agree on "a hasis for continued support."

Remedial action above and beyond the group's reduction of some 900 in the Weir Pumps workforce came swiftly. Yesterday the group confirmed that Mr. Randolph Spence, the managing director of the pumps business, bad resigned and was being replaced hy his deputy. There is no douht thst Weir means to tidy up its operations, but it may take some time

With a capital gearing level now hovering arouod 140 per cent, Weir is sacrificing large sums in interest payments. They doubled in the half-year to £3.7m. In addition, its net asset base is shrinking visibly as a result of attributable losses; interim attributable deficits of £4.2m have hrought net assets down to the £32m level and hy year end this could slip down

The major problem facing the group is the worse than expected performance of its pumps division. This part of Weir may bave lost around £2m in the first six months of the year. Redundancy costs were also severe at around £1.5m.



MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1980 High	1980 Low	
FT Ind. Ord. Index	494.4	+10.5	503.1	406.9	Rally helped by Gilts
FT Govt. Secs. Index	69.44	+ 1.72	72.54	63.85	Revived demand
FT Gold Mines Index	428.0	+38.3	428.0	265.5	Rise in bullion price
Treasury 11¾% '91 A (£50 pd)	£46½	+ 1¼	£50¼	£44¼	Medium tap reactivated
Aeronautical and General	530	+105	538	212	Proposed 100% scrip-issue
BP	358	+16	412	320	Int. results heat expectations
Cadbury Schweppes	66	+ 6	66	54	Int. profits above expectations
Charter Cons.	240	+16	242	134	Buoyant mining sector
Coral Leisure	91	+31	92	54	Agreed offer from Grand Met.
Cornell Dresses	52	+33	52	10½	Bid hopes
De Beers Defd.	450	+53	553	368	Stock shortage/buoyant golds
Gencor	930	+130	968	650	Sharply increased ½-yr. profits
Haynes Publishing	123	−29	170	119	Fears of forecast profits shortfall
Higgs and Hill	93	+16	96	45	Cond. hid of 110p from BICC
Northgate Exploration	435	+65	585	325	Drilling report
Sabina Inds.	43	+14	58	26	Speculative demand
Sainsbury (J.)	500	+33	500	280	Persistent support
Somportex	215	+45½	215	78	Stock shortage
Westland	128	+18	128	44½	Helicopter orders
Whitworth Electric	51	+30	52	21	Good annual results

The Reagan rumour

NEW YORK

IAN HARGREAVES

WALL STREET was having a psrty on Tbursday when it wss hit by one of those rumours which can only hsppen in the fevered atmosphere of fortunes and careers being made or marred.

Witb the ticker tape from the Stock Exchange running up to 20 minutes behind husiness because of the bectic pace of trading someone went nn to the floor or picked up the phone and told someone else that Ronald Reagan was dead or dying.

The story said that Mr. Reagan, whose physical bealth has threatened at times to hecome as much of a political issne in the U.S. as that of Mr. Brezbnev or, before bis desth, Chairman Mao, had suffered a heart attack on board his campaign jet.

The Reagan camp was swift to deny the rumour, but it was effective enougb in an edgy market to belp turn round a double digit gain for the Dow in early trading and pnsb it towards the negative column. It ended a couple of points lower on the day.

The stock market bas not made much secret of its political preference for Mr. Resgan, whose proposed tax cuts it hopes will give a new year boost to business profits and to stock prices. The bond market is more cautious, however, worrying somewhat about the inflationary consequences of Mr. Reagan's programme.

Another feature of Tbursday, for whicb Mr. Reagan and the rumour-mongera bear no responsibility was the fact that on a day when almost 60m shares were traded and the institutinns waded heavily into the spree, the most sctively traded stock of the day was, well, can you guess?

A hank maybe, helped by the recovery in loan demand? A securities company riding high on the heavy volume of recent business in the markets? An oil company with a discovery? A consumer durables firm thnught likely to profit soon form the upturn in the economy?

Well, the last category almost has it, but the name of the company, Sony of Japan, prohahly comes as a surprise.

In fact, Sony bas stopped the most actives list on several days this year, a fact which this column has sought explanations for.

Mr. Harry Machids, Sony's investor relations man in New York, says quite bluntly "That's what I don't understand either." But Mr. Machida feels, naturally enough, that it is chiefly to do witb the fact that Sony is doing raher well and looks set to do better.

Mr. Otis Bradley, an analyst with the Baltimore Securities firm of Alex Brown, is one of three or four Wall Streeters currently tipping Sony sbares and therefore, at least in part, responsible for wbat has been happening.

He ssys that Sony possesses the basic appeal for big trading because it is a cbeap share—around $12 last week—which however erroneously makes even the most bardened professional bnyer feel that he is getting more for his money than if he spends a $1,000 on shares which cost $80 each.

He is also very excited about Sony's earnings potential which, after a period of several years in whicb cnrrency fluctuations, loss of leadership in video recording equipment and some uncertainty abnut management strength reduced earnings growth, are now growing again.

Mr. Bradley is forecasting earnings of $1.20 a sbare this year, compared with only 38 cents last year and he expects the figure to reach $2 per share in 1982.

His optimism is based npon the fact that Sony is now back out in front in the video recording business and that it now has this sector firmly estabIisbed as its leading sector, contributing 27 per cent of revenues.

The effect of this American optimism has therefore heen to suck ownership of the company out of Japan.

At the beginning of the 1970s, when the U.S. was starting to become painfully aware of how good the Japanese electronics companies were, Sooy wss slso riding high and selling in the U.S. at an astonishing price earnings multiple of 40.

At that time 30,000 shareholders in the U.S. owned 43 per cent of the company's shares. At the beginning of this year, the number of shareholders was the same (in other words the institutions bad kept their fingers in the Sony pie) but they amounted to ooly a 5 per cent stake in the company.

But since then the trend has been up, reaching 7.5 per cent in April and, according to Mr. Machida, an estimated 17 per cent now, when it is selling at a price-earnings ratio of 10.

The ceiling on foreign nwnership of the stock is 47 per cent, hut with European ownership estimated at 10 per cent there is still some way for the present U.S. trend to move, if the buyers are there.

For American investors too, there is the comfort that the future of Sony has nothing to do at all with Mr. Reagan's age or bis real or imagined ailments.

MONDAY		HOLIDAY
TUESDAY	940.78	+ 8.19
WEDNESDAY	953.16	+12.38
THURSDAY	948.81	− 4.35

FINANCE AND THE FAMILY

A claim to a tenancy

BY OUR LEGAL STAFF

My grandfather owns a piece of land on which he allows a farmer to graze his cows in return for a daily pint of milk, and a coal merchant to park his lorry for a cwt of coal a week. He has not made a will. On his death, does the family consult a solicitor and have the land conveyed to their names? Is it a costly process?

We think that you should consult a solicitor, although it is not legally required that you do so. The devolution of the land should not cause any undue problem or be too costly, but the possibility that the farmer and coal merchant, or one of them, may claim a tenancy requires careful handling of the matter.

Joint tenancy survivor

My husband and I are joint tenants of a house. My husband has not made a will and I understand that if he were to die, I should be entitled to the first £25,000 of his estate, plus a life interest in half the remaining estate. How does the value of the house come into this?

As long as the joint tenancy remains unsevered the whole house will accrue to the survivor without falling into the estate of the first to die. In that event the statutory legacy on the intestacy of the first to die would be in addition to the half-share in the house and is computed without taking the value of the house, or part of it, into account, as that passes automatically to the survivor.

House on daughters land

My wife and I propose to build at my expense a residence on land owned by our daughter whom we wish to live near owing to our advancing ages. If our daughter gives us a licence on a peppercorn rent to occupy the land during the lifetimes of both of us presumably the land and any building on it will revert to my daughter simply by the expiration of the lease. Will this procedure attract any taxation along the line and if so, what?

We think that there is a risk that there may be a charge to capital transfer tax on the cost of the house unless there is a lease, not a licence, which can be represented as good consideration for the building. You would be wise to consult a solicitor.

Sovereigns and kruggerands

I have recently read that Sovereigns are totally exempt from capital gains tax and income tax as they are considered to be legal tender in this country. Is this so? If not what is the true position? If one takes a hypothetical case of say someone who bought at much lower levels six or seven years ago say several hundred coins, has not bought any since and now wishes to dispose of them and take his profit what would be the likely reaction of the tax office to this? Suppose this same person had sold them piecemeal in small lots to avoid capital gains tax and take advantage of the tax-free limits and now wishes to sell the remaining bulk, what then? As far as Krugers are concerned, how are these treated taxwise? How would they be treated in the same hypothetical case as above for Sovereigns. Any difference or not?

Sovereigns dated 1838 or later are exempt from CGT (under section 19 (1) (b) of the Capital Geins Tax Act 1979).

Sovereigns dated 1837 or earlier are within the scope of CGT, as tangible movable property (not exempted by section 127 of the CGT Act).

Krugerrands are within the scope of CGT (under section 19 (1) (b) of the CGT Act).

Transactions in sovereigns (of any date) and Kruggerands are within the scope of case I of schedule D.

Hypothetical examples are of little practical value in forecasting whether any particular body of General Commissioners (or the Special Commissioners) would find, as a question of fact, that a particular transaction constituted an adventure in the nature of trade. Every case depends upon its own facts, and upon the view taken by the appeal Commissionera (whose finding of fact is unlikely to be disturbed by the Courts, upon appeal against their decision by either party).

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

If the amount at stake is substantial, you may well decide that it is worth seeking local professional guidance.

Possession of a flat

My daughter is a student at London University. She owns a flat near the college which she let while she was studying abroad. The tenancy agreement specified that she will wish to recover possession for her own occupation on September 14, 1980, pursuant to case 11 of the 15th schedule to the Rent Act 1977. She now has accommodation in college. Is she able to continue to let her flat with the certainty of recovering possession when she needs it?

If your daughter does not exercise her right to obtain possession on September 14, 1980, we think that she will not lose the right: but in any case she may still be able to rely on the discretionary power given to the Court under paragraphs 5 of Case XI.

Sub-contractors bad work

Recently we bought an old house in Scotland requiring extensive renovation. A contractor was appointed and some of the work was sub-contracted to a firm of plumbers/electricians which failed to get on with the job. Eventually, my architect instructed the main contractors to sack the sub-contractors and a new firm was engaged to complete their work.

It is likely that the sub-contractors will charge more than the original estimate since they are having also to rectify sub-standard workmanship by the original sub-contractors. I understand that I may withhold labour costs but not materials costs from the original sub-contractor in order to defray any additional charges by their replacements. However, if these additional costs come to more than the labour costs of the original sub-contractor, would I be able to defray these against labour charges made by the main contractor? Also, if the original sub-contractor attempts to recover part of his labour charges by sending in an inflated bill for materials, would I be able to demand an examination of his receipts for these materials?

It is impossible to provide a comprehensive answer to the points raised in your letter without having greater knowledge of the background. You state that an architect was engaged by you for this contract but you do not state whether the work was carried out under the normal R.I.B.A. conditions whereby the architect grants certificates from time to time for work completed.

If it was, and your architect had certified that at least some of the work had been completed by way of an interim certificate, then you would be obliged to pay for the work so certified—that would apply whether the work had been done by the main or the sub-contractor.

If the work was not being carried out on such a formal basis then the first plumber/electrical sub-contractor may have no claim against you at all as the work done appears to have been defective and you have incurred further costs in rectifying these defects.

If the costs of rectifying the defects exceeds the benefits you received from the first sub-contractors' work then you may have a claim in damages against him which may compensate or exceed his contractual claim which he has for the work completed which lies against you.

These are all matters upon which your architect should be able to advise you and obviously all bills received should be scrutinised by him in order to ascertain the precise sum you are bound to pay.

Water rate and a garage

Water rate and a garage I own a house and adjoining garage and the local valuation office has advised that the total rateable value of £451 is made up of house (£422) and garage (£29) although, it appears that the garage is not officially separately assessed. The garage is not served either by a water supply or main drainage. Would it be legally proper for me to withhold payment of the water sewerage and environmental rate levied in so far as it relates to the rateable value of the garage?

We think that you cannot properly withhold the water and sewage rate on the garage unless the garage is separately rated. Your proper course is to apply for separate rating of the house and garage. Once the garage appears in the valuation list as a separate hereditament you can properly refuse the water/sewage rate.

The crisis when mother falls ill

INSURANCE

ERIC SHORT

IF FATHER falls ill and is unable to work, then there are financial problems for the family. True he can get social security benefits at a comparatively low level, but if he is earning above National Average Earnings, this only partially replaces his income.

But more attention is now being paid to ensuring that the employer makes up the earnings to at least 75 per cent of net take-home pay, even if the illness or disability is prolonged for years.

But what happens if mother falls ill? Little thought is given to this problem — perhaps because our childhood recollections are that she never fell ill, while father went to bed on the first signs of a cold.

If a housewife falls ill or has an accident so that she cannot do her normal household tasks, then either near relatives, friends or neighbours are called in to help out until she has recovered. Or else outside help has to be hired and this does not come cheap these days. It could mean a drain on earnings even though the husband is still working.

Six years ago, Mrs. Barbara Castle, then Social Services Secretary, introduced the Non-Contributory Invalidity Pension for housewives to meet this need. But the weekly payment is only £14—rising to £16.30 in November and becomes payable only if the illness lasts for at least six months.

There is a strong case for taking out permanent health insurance on housewives to meet such costs, or just to be in a position to avoid having to rely on the willingness and generosity of others to help out. One may be willing to help out for a few weeks, but not for several months.

Yet only five life companies are willing to offer such permanent health contracts for housewives and the maximum benefit level is low. Indeed as the accompanying table shows that with two companies it is ridiculously low.

Lack of demand for such contracts is one overriding reason why such schemes are not widely written.

The permanent health benefit is paid if the person concerned cannot follow his or her normal occupation. With employed persons a doctor's certificate is adequate. The person has only to be off work to get the benefit. But many housewives with a similar illness carry on quite normally.

When asked about claims procedures for housewives, two companies could not say what happens in practice, simply because to date they have not had any claims. But the starting point is a doctor's note certifying—that the housewife is unable to fulfill her household duties. In practice this would normally mean that she was confined to bed or a chair, though some companies are prepared to pay a benefit for depression.

The rates charged are higher than for men, even though sickness experience for housewives is very limited. This "discrimination" infuriates the Equal Opportunities Commission. But Mr. Derck Bond, the actuary of Medical Sickness and Permanent Insurance the largest operator in this field is quite confident that his companies' experience shows that women are more prone to sickness than men.

COST OF PERMANENT HEALTH INSURANCE FOR A HOUSEWIFE AGED 29 WITH COVER CEASING AT AGE 55

Company	Max. weekly benefit	Monthly premium for the maximum benefit Period from onset of illness to payment of benefit: 4 weeks	13 weeks	26 weeks
	£	£	£	£
Commercial Union	50	—	5.02	3.97
Norwich Union	40	5.37	2.83	2.10
Permanent Insurance	50	6.23	3.07	2.43
Phoenix	20	—	2.18	1.95
Yorkshire-General	15	2.11	2.00(a)	2.00(a)

(a) Minimum monthly premium.

Yes, there is tax after death

TAXATION

DAVID WAINMAN

DEATH and taxes, according to Benjamin Franklin, were the only certainties in his world.

Since the world changes little, a taxpayer leaving it today for the next is still certain to bequeath a number of tax headaches to his executors. Capital transfer tax on the assets passing on his death is likely to be the major impost depleting and dissipating the assets of the deceased.

Capital gains tax is not generally a burden, the general rule being that any gain arising when a man's assets cease to be his and become his executors' property, is not to be a chargeable gain. The executors acquire those assets for capital gains tax purposes at their value at date of death.

That much capital gains tax is well known: the wrinkles probably less so. It is the executors who acquire the deceased's assets on his death and they then hand them over to the "beneficiaries" during, or at the end of, tha administration period.

"Beneficiaries" in this sense may be those entitled under the will, those taking in an intestacy, or trustees acquiring assets which they are to hold for some continuing purpose—but all of them take over the executors' same acquisition value.

The executors themselves therefore make neither gain nor loss on assets passing through their hands to those entitled to them. The only gains upon which executors will be liable are those arising on their own sales of assets.

In calculating their liabilities for the year of death and each of the next two years, the executors are entitled to exemption of the first £3,000 of gains in exactly the same way as is an individual.

Dying can be said to double the £3,000 exemption, in the sense that the deceased has his exemption for the part year in which he dies, as well as his executors having a second exemption for the balance of that year. If the deceased has losses rather than gains in the part-year to the date of his death, these can be carried back against gains in the three years before that.

But it will almost certainly not be either of the capital taxes which cost the executors the most effort. Income tax is the more complex and time-consuming burden—so much so that one must wonder whether the law's requirements could not be simplified and abbreviated without undue loss to the Exchequer.

The grand design is that executors should be taxed at the basic rate, and that the beneficiaries should therefore receive their income under deduction of tax. Those beneficiaries whose personal deductions entitle them to a repayment of the basic rate tax will then claim it back, and those liable at higher rates will be assessed on the gross equivalent of the net sums they have received.

That grand design must, however, be applied: and it is the detailed rules for its application which stand in danger of being little comprehended and even less loved.

The rules take as their starting point the basic principle of executorship law that unless the will provides otherwise, a beneficiary who is absolutely entitled to a specific asset is entitled also to the income which that asset produces from the date of death.

This should create no particular difficulties, but tax law requires that so far as concerns income on the assets falling into the residue of the estate, a similar attribution be achieved in the two stage process.

It is assumed, for the first of those stages, that the executors start by merely making payments on account to the beneficiary concerned. He reports as his income the gross equivalent of these sums as he receives them.

The executors review these provisional distributions at the time they finish the ingathering and distribution of the estate. (The time at which this process is completed is known as the end of the administration period.)

The rulea require them to calculate exactly how much income arose in each year for each beneficiary having an absolute interest, and to advise him what must accordingly be regarded as his revised income, gross and net, for each year of assessment.

The rules are subtly different, and the complications greater for beneficiaries whose interest is only a "limited" one, rather than one which is absolute. The widow who has a life interest in the income from her late husband's estate is an example of a person with a limited interest.

In the first instance her income is again quantified as the gross equivalent of the net sums paid on account of her entitlement. But when the revised calculation is made at the end of the administration period, the aggregate net amounts finally paid are regarded as having accrued evenly throughout the administration period. Her income for each year of assessmant is therefore arrived at by splitting the total on a time-apportionment basis.

Bequests of specific assets as we have seen normally carry with them the income from those assets. The residuary beneficiaries, whether their interest in residue is absolute or limited, are then entitled to the balance of the income.

But they are entitled to deduct from the net amount of that residuary income the executors' expenses of administration, any annuities which are payable out of tha residue, and interest on money borrowed to pay capital transfer tax on personalty before the grant of probate (this latter being the factor which enables the executors to sell what asets they must to pay the tax).

No one gets any repayment of tax on these expenses, but the beneficiaries' recalculated income is smaller than it would otherwise have been. The executors' task of recalculation is complex enough, but is made more so where some beneficiaries may have taken not only income but also some part of their assets out of residue during the administration period.

Tax on the incoming arising after death is only a part of the executors' worries. They also have to sort out the deceased's own liabilities to the date of death—a process which in his absence all too frequently requires to be achieved by guess and by God.

YOUR SAVINGS AND INVESTMENTS 1

John Makinson looks at unlisted shares

Selling by the rules

AUNT AGATHA has left you a few 5 per cent debetures in the Buenos Ayres Lacroze Tramways Company. Uncle Henry, still living in Buenos Aires, invites you out for a holiday and selling the debentures would help meet the cost. There is, bowever, no official market in BALT debentures, so the problem is how to sell them. The solution is Rule 163 (2).

About 300 securities are traded under this Stock Exchange rule, which provides a rough and ready market for unlisted stocks and shares. In most cases, trading is minimal. BALT debentures have not been dealt since March, for example. The list is peppered with breweries and football clubs, together with such esoterica as the Instant Starter Engineering Company and the Women's Pioneer Housing Society.

Recently, however, there has been a considerable growth of interest in 163 (2) securities and the Stock Exchange is in the final stages of drawing up a regulated Unlisted Securities Market (USM), which it intends will largely supplant the 163 market. Under the new regulations, it should be easier (and probably safer) for small investors to deal in unlisted securities.

The 163 revival dates from the middle of 1978, when the Stock Exchange published a booklet explaining to customers and investors how the market could be used. Its appearance was prompted by concern that new official listings had almost dried up since 1973, yet the advances being made by Mr. Michael Nightingale's market in unlisted securities persuaded the Stock Exchange that there was a real demand for dealings in small companies.

It was also conscious of the need to belp such companies at a time when the Wilson Committee was preparing its report on city institutions.

In order to stimulate interest, the Stock Exchange arranged for 163 prices to be published on the back page of the Daily Official List. At the same time, it recognised that if the market was to grow, it would probably need a regulatory structure.

It therefore invited views from interested parties and last December published a "document for discussion." Discussions followed and this week the Stock Exchange produced a more definitive set of proposals.

The new document has made a timely arrival since interest in unlisted securities has grown enormously over the past two years. Around 20 new companies have been listed under Rule 163 (2) and almost all of them have been traded actively.

In the last week of August there were 658 bargains concluded in unlisted securities, amounting to £3¼m unusually low because of the holiday season. Over the past few months, weekly turnover has topped £14m, though this was mostly because of furious activity in companies listed under Rule 163 (3).

This is a separate category for mineral exploration companies and has attracted about a dozen entrants, most of them with North Sea exploration interests.

Dealings in 163 companies are completed in the same way as a trade in BP or ICI. A broker will settle a contract through a jobber and will change the same commission as for a listed security.

Furthermore, as Rule 163 companies fall under the auspices of the Stock Exchange, investors are entitled to protection under the Stock Exchange's Compensation Fund and brokers are obliged to obtain the best possible terms for their clients. Every individual transaction must be rubber-stamped by the Stock Exchange.

At present, however, the sbareholder's protection ends there. Unlike a company on the official list, a 163 (2) company is not obliged to prodnce a prospectus and is under no obligation to provide investors with information nn its activities and results. The investor may, therefore, have to rely on his own researches. This is practicable for an institution, less so for an individual.

In practice, bowever, new 163 (2) companies bave provided fairly comprehensive information before seeking entry to the market. Baker Electronics, for example, produced detailed audited accounts and a profits forecast when it came to the market early last month.

Once the dust bas settled, 163 (2) companies are generally little more volatile than nfficially listed sbares, though the same can certainly not be said for the often highly speculative 163 (3) companies. Price movement may be erratic at times bowever, because of the modest dimensions of the market and the fact that many companies bave placed only a small proportion nf their issued capital in the market.

Many of the new companies, like Bio-Kil and Air Call, have a decidedly 20th-century ring and the market also includes such well known and actively traded companies as Weetabix.

In addition, several companies have moved down from an official listing to 163 status in nrder to cut their reporting costs and take advantage of the new interest in unlisted securities.

Under the Stock Exchange proposals, a three-tier market would be created with the more beavily traded 163 companies expected to take place in the Unlisted Securities Market (USM). Companies entering this market would have to provide a financial record, though not necessarily an auditors' report, and would need to have at least 10 per cent of their shares on offer in the market.

The proposals envisage that brokers would be able to act as principals as well as agents in soma cases in order to encourage the provision of local capital in areas where there may be no jobbers. Companies currently listed under 163 (3) would also be expected to move up to the USM. At the same time, dealings in companies which remain under 163 would be progressively limited.

The new proposals may tighten up the disclosure requirements for unlisted companies but they are unlikely to make it any easier for small investors to obtain sbares at the placing stage — where the money is most often to be made.

Baker, for example, shot up from an issue price of 60p to 103p as soon as dealings began.

It is exceedingly difficult for an investor to break the charmed circle of a placement. The Stock Exchange would like to see 25 per cent nf the sbares offered going to the jobbers but, as it also discourages widespread publicity for new isuses, the chances are that an investor may not hear abont it until too late.

Tring Hall Securities, the most most active company in bringing 163 companies to market, provides one way round the problem by offering new shares on a pro rata basis to all its own 432 shareholders.

Until the small sharebolder's access to new offerings is enhanced, the USM is likely to be primarily market institution and speculators. Yet the regulatory structure now proposed should go some way at least towards making the unlisted security a safer place to trade in.

Abbey's facts of Life . . .

INSURANCE

ERIC SHORT

THE DISPUTE between insurance brokers and the Life Offices Association, and between companies within the association over commission paid to intermediaries suddenly erupted a few months ago.

The first bang came during the brokers' conference at Brighton in April. Like the U.S. volcano, Mnunt St. Helens, each successive eruption bas bad a bigger impact than the previous one.

But the bang this week from Abbey Life bas scattered asb further than ever and could well sbake the structure of the LOA itself. For Mr. Michael Hepher, the newly appointed chief executive of Abbey calmly told the Press on Thursday that the company was considering leaving the LOA unless the commissions problems were satisfactorily resolved.

The crux of the problem is that brokers not nnly want more commission for their business, but feel that their efforts and expense in getting life business entitie them to extra cash.

Many life companines, particularly the newer ones, are fully in sympathy with the brokers' case. Crown Life, fnr example, left the LOA earlier this year so that it could pay higber commission for volume business.

Mr. Hepber disclosed some ambitious plans for Abbey in the present decade and there is no doubt that he will need the full support of brokers to achieve the growth targets. On the other hand, be accepts that in these days of increasing Government involvement, the life assurance industry needs a strong, fully representative trade association. If Abbey Life left the LOA, be feels sure, certain other life companies would soon follow, and the credibility of the LOA could be undermined.

Even the bint that Abbey Life is contemplating leaving the LOA is of serious concern for investors. The few companies at present outside the LOA can finance higber commission payments from increased productivity.

If Abbey left, with others following, then the dangers of a commission war become mnch more serious — higher commissions in such an event would not necessarily be matcbed by bigher productivity. The consumer would pay in one form or another. It is in his interests that a satisfactory solution is found inside the LOA.

The LOA meanwhile, has been very active in looking after consumer interests regarding life assurance. It bas acquired considerable respect from the authorities and bas several succeses cbalked up including a successful defence of life assurance premium tax relief.

The absence of a strong trade association would leave investors open to Government intervention — a point which Mr. Hepher appreciates as much as anyone.

. . . to guarantee or not to guarantee

THE PURPOSE of Abbey Life's press conference on Thursday got nverlooked once Mr. Michael Hepber, its managing director disclosed that his company was considering leaving the Life Offices Association. But primarily it was intended to promote the latest development in single premium bond investment—described as "one of the most important products ever designed by Abbey.

Mr. Michael Hepher

Certainly a new dimensinn has been added to single premium bonds in the Abbey Personal Investment Portfolio, bnt it is by no means earth-sbattering. All Abbey bas done is add the choice of investing on a guaranteed annual interest basis as well as in the unit-linked funds.

This guarantee relates only to interest paid on the original investment. There is no guarantee on the reinvested income. In effect this is similar to investing in a gilt, where the annual interest payments are guaranteed at outset if held to maturity: the investor still has the problem of reinvesting that interest each year on the terms then available in the market.

In this respect, Abbey's guarantee differs from that given on a conventional nonprofit life contract wbere the ultimate payment, including reinvested income, is guaranteed.

The rate of interest guaranteed by Abbey depends on market conditions and varies with the term of guarantee required by the investor. The present rates are in the 7½-8½ per cent range and in theory these can be changed at a moment's notice, as with guaranteed income bonds. In practice, salesmen and brokers would be given notice of a day or sn.

Thus an investor putting up £10,000 (and asking for a guarantee over seven years) would have annual interest credited to his fund of £800 a year for seven years.

The guaranteed fund operates on the unit principle just like any other of the funds, although no limit price is quoted with income being reinvested in the holdings — mainly gilts. Thus the capital value of the investment is not guaranteed—if interest rates rise, the value will fall and vice versa.

Abbey has also produced the most comprehensive literature yet seen on single premium bonds explaining to every type of investor how the scheme applies to his situation. This possibly achieves an overkill—the average investor will have difficulty reading through all the notes prepared on bis behalf.

The timing of the launch, however, is right. Interest rates are high and expected to fall. So the investor can take the guarantee at outset and then switch into one of the other funds.

After the bombardment . . . a shot from the Alliance

HOME LOANS

TIM DICKSON

SAVERS THIS year bave been bombarded by building society marketing men. Flexible and ever more flexible term shares —offering that extra fraction of a per cent, easier withdrawal facilities, and a combination of the two—have rained down unrelentingly in appeals to the individual's pocket.

This week, bowever, the gunfire changed direction a little with the Alliance Building Society's launcb of a new yearling bond aimed at institutional investors. Primarily for tax reasons, individuals bave been excluded but pension funds, life companies and other corporations will be able to subscribe to the new bonds which come in £50,000 multiples. With the first issue of £5m placed yesterday at a coupon of 15⅜ per cent, the Alliance bopes to raise a total of £60m in this way in the next year.

Individuals may not be directly concerned but one idea put forward by Mr. Roy Cox, Alliance'a chief general manager, may one day affect building society borrowers. This is the concept of the fixed rate mortgage, not the type of fixed rate loan until recently popular in the U.S. (wbere the interest remains fixed over the wbole term), but a mortgage wbere the interest rate would be pegged for, say, one year.

Mr. Cox's idea is that some of the money raised at fixed rates (e.g. the new bonds) could be matched with a borrower. Many people, be feels, might welcome the removal of some of the uncertainty caused by the current variable (and frequently changing) rate.

Among possible hurdles would be the need fnr a new mortgage deed. As Mr. Cox readily admits some borrowers may not be as bappy to accept a rate determined by the Alliance as they do accept one recommended by the Building Societies Association.

Tbe new bonds, meanwhile, represant the first ever building society placing in the wholesale money market. Anglia, Hastings and Thanet Building Society went to the institutions for money late last year but funds in this case came in the form of a straightforward loan from banks.

Building societies generally are divided on the need to step out of their traditional bigh street bunting grounds. The BSA working party report earlier this year broadly concluded that societies would be able to meet the demand for bousing finance in the next 10 years from their traditional sources.

Mr. Cox, however, argues that the societies could be reaching saturation point in terms of the growth of private investors. Numbers of individual account bolders have risen from 10m in 1969 to 29m at the end of last year, althougb this does not take account nf the many people who have accounts with more than one society.

"If such a rate of growth continues," be said, "the number of iovestors would almost outnumber the total adult population by the end of the current decade." Given Mr. Cox's belief that the demand for home loans will continue to increase, the supply of fuods may have to be found elsewhere.

An amicable drop of Scotch

UNIT-LINKING

ERIC SHORT

INVESTORS interested in saving through unit-linked life assurance contracts already bave a wide cboice of plans from a bost of life companies. The field is being widened even further as another traditional life compnay, Scottish Amicable, virtually confirmed its entry last week with the appointment of John Davies as Assistant Marketing manager (unit-linked).

Unit-linked life nperatinns first made a big impact on the life assurance scene at the beginning of the 1970's and at that stage the establisbed companies resolutely opposed their development. One by one they have changed their stance and have set up linked operations with varying degrees of success.

industry, said the Cabinet Coun-

Scottish Amicable should be successful if its record over the past decade is any guide. Under Mr. Bill Proudfoot, it bas been transformed from a backmarket in Scottish life assurance to the third largest and the fastest growing life company in Scotland. More important, it bas got its investment performance right, rising from middle of the table intn the top five for with-profits performance over all terms. Its linked pension fund SCAMPI is among the top performers.

Mr. John Davies, wbo comes from Sun Alliances linked operations, will be responsible for contract planning among other tasks. But this year's Budget bas set back Scottisb Amicable's timetable. It is still discussing wbether to offer equity and gilt investment through unit trusts or internal funds. Anyway, it expects to launcb a single premium bond early next year followed by nther products during the year.

Standard Life, which took the unit linked plunge last October, has already accumulated funds of over £13m. Such success is clearly encouraging Scottisb Amicable tn jump in as soon as possible.

UNIT TRUST AND INSURANCE OFFERS

YOUR SAVINGS AND INVESTMENTS 2

John Moore looks at the latest news from Lloyd's

More to share the spoils

PRIVATE INVESTORS sufficiently well heeled to be members of the world's oldest insurance market may have mixed feelings about the profits announced this week.

Only 10,730 of the 18,552 current members of Lloyd's of London participated in the 1977 prosperity of the UK's leading insurance market. The fortunate 10,730 were those members who have been associated with the market long enough to see a closed year of the Lloyd's underwriting account.

Lloyd's, which announced total profits of £131.4m for its 1977 underwriting year this week, uses a three-year accounting system. The market leaves its accounts open for three years to catch most of the claims that arise on the business arranged in the market each year.

So for the first time since they became members of Lloyd's and started underwriting at the beginning of 1977, 2,165 members will be experiencing their first closed underwriting account.

The rest of the membership which has not seen a closed underwriting year, 7,822 or 42 per cent of the market, will be keeping a wary eye on profit trends. In the next reported underwriting account, for 1978, results of which will be declared next year so there will be 14,091 participants—3,361 more than in 1977, or a 31 per cent increase.

What is clear from the statistics is that the membership has grown at a faster rate than Lloyd's profits, and that premium is hardly growing at a fast enough rate to nourish all the membership.

Although profits from the 1977 account at £131.4m are the second highest that Lloyd's has reported, the underlying trend in underwriting profit, that is the difference between premiums and claims—is rather different. Underwriting profits for 1977 of nearly £100m, compares with a profit of £96.5m in the 1976 underwriting account, a mere 4 per cent growth.

So investment income is becoming increasingly more important to the Lloyd's market. About £113m was generated by net interest on underwriting funds and other credits in the 1977 account. After allowing for expense items, such as subscriptions and various underwriting salaries, which Lloyd's accounting procedures charge against investment income, this left £80m.

The most notable beneficiary of investment income in the market is the non-marine sector, which insures all manner of general risks, excluding motor insurance and life. Around £22.5m came from net income contributing three-quarters of that market's total profits of nearly £30m.

The non-marine market produces nearly a half of Lloyd's premium, although consistently is the least profitable at the underwriting level. But in spite of exhortations by senior Lloyd's officials that investment income is an uncertain crutch to profits, the competitive conditions outside Lloyd's walls are likely to encourage the use of investment profits to prop up underwriting for some time to come.

Computer losses seem to have made some impact on the Lloyd's market. True, underwriters have been advised to reserve $340m for future losses but some underwriting agents may have based their reserve assumptions on a higher figure.

To date Lloyd's has paid out $71m on computer leasing claims, expected to be the largest losses in the market's history, although delays through legal actions involving computer leasing policyholders and Lloyd's, and other "negotiated settlements," means that underwriters will be gaining the benefit from investment income on reserves.

Mr. Peter Green

Chairman of Lloyd's

Secret of success

THE TSB's household insurance scheme both for buildings and contents has had a good response since its launch well over a year ago. In particular its simplicity, as well as the cheapness of its premium rates has appealed to prospective policyholders. Householders simply insure the house or its contents for a minimum figure based on the type and location of the dwelling. And in the event of a claim, the full replacement value on a "new-for-old" basis is paid out up to the sum insured limit.

As a result there are no complications when it comes to assessing the cost of rebuilding the house or calculating the replacement value of the contents.

However, what has not been emphasised about the TSB scheme is that very large risks are not accepted. It will not accept a house where rebuilding costs are more than £150,000 or contents values et more than £20,000, as one reader interested in the scheme has discovered.

The reasons for this limitation are two fold. First, since the scheme is small and largely experimental, the TSB has limited the size of risk so that its portfolio is not exposed to one major loss. No doubt as the scheme grows the TSB may be able to relax its limits.

Secondly, as far as contents is concerned, the higher the sum insured, the greater the risk of theft. The TSB has deliberately cut out the high risk theft losses from its scheme — one reason for its competitive rates.

All insurance companies faced with a proposal for large sums insured on contents would insist on an inspection of the house and prescribe certain precautions before accepting the risk. They will not accept the £20,000 plus risk purely from a proposal form.

Whether the TSB can expand its scheme to incorporate the high contents sums insured without losing its attractiveness remains to be seen. But any such change will be some time in the future.

E.S.

Rolls-Royce of bank cards

THOSE Americans never stop, do they? Not content to shower Britain with Kentucky Fried Chicken, J.R. of Dallas and a light brigade of new retail banking ventures, the latest bolt from the West was revealed on Thursday.

American Express, the international credit group with a reputation in charge cards, travellers cheques and assorted pecuniary services, this week unveiled its latest import into the UK, a deluxe "Gold Card" facility to be available next year "to meet the needs of higher income earners."

Standing side-by-side with American Express was the very British Lloyds Bank, which is to run the scheme through its UK branches.

The new American Express card, which is targeted at an audience of between 200,000 and 250,000 Britons who earn a minimum of £20,000, is being seen by some as a "snob card" —nothing more than a status symbol—and by others as the ultimate in plastic payments.

The gold card will offer all the services of the existing American Express green card (average salary of these cardholders is £15,000) as well as a variety of special services.

For example, if Lloyds Bank and American Express decide you are worthy of the gold card, an account will be opened at Lloyds and the gold card-holder will receive an automatic overdraft facility of £5,000. Interest is to be charged at 2½ per cent above the Bank's base rate.

In addition, the gold card will entitle holders to draw up to £1,000 in emergency funds at any American Express outlet around the world; normal card carriers can only obtain £500. Gold card-holders will also be able to cash cheques of up to £100 a day at Lloyds branches or Cashpoint facilities instead of the £50 limit for green card customers.

There is to be no pre-set spending limit and the American Express card will be usable at car hire firms, airlines, restaurants, hotels and stores in 165 countries.

Mr. Bob Amos, assistant chief general manager of Lloyds Bank, said yesterday that his bank had promoted American Express cards since 1967 and that the two organisations would plan to introduce the new gold card by next Spring.

"We believe that the card will sell itself as people see it in use," he said. He noted that "a lot of my own executives have come back from the States and have asked me where they could get one of the gold cards."

The cards would be issued only through Lloyds, he said, and the mode of introduction would probably be through "recommendation." Although the anticipated market in the UK was said to be as much as 250,000, Mr. Amos said he would be happy to see 50,000 cards in use within the next two to three years.

At American Express, Mr. Stuart Quartley, vice-president in charge of cards, confirmed that "this card is going to be very much at the top end of the market." He described prospective card-holders as "people in the most senior positions of business and people who are affluent in their own right."

Mr. Quartley also explained that the joint venture with Lloyds Bank would be the first of a number of announcements of similar schemes planned by American Express and various banks to launch the gold card in Europe.

Mr. Amos also said that he would be one of the first of the new gold card-holders in the UK. "I am very excited about the new programme—but I am not sure if I dare tell my wife about it," he added.

Alan Friedman

A homemaking flop

BANKS

MICHAEL LAFFERTY

IT SEEMED like a brilliant idea at the time. Now it is officially described as a flop. The idea was Lloyds Bank's "Homemaker" plan, which earlier this year offered newly-married couples and others setting up home a pack of discount vouchers worth more than £300 in total if they opened an account with the bank. The vouchers varied in value from £10 off a dish-washer to £100 off a fitted kitchen costing £1,000 or more.

The scheme was launched in mid-April and ran until the end of June. It was promoted at branch level, backed up by national advertising, and attracted a great deal of attention in the Press.

Why has it failed to bring in anything like the number of new bank accounts that Lloyds had expected?

Mr. Colin Trusler, head of marketing at Lloyds, identifies three main problem areas. First, he says the concept was so innovative that people feared there was a catch. Then, he admits that within the bank there was a fear that the level of demand for the scheme would far exceed what Lloyds was able to cope with.

This resulted in a decision to pitch the advertising campaign at "too modest a level and over too short a period of time." Finally Lloyds now accepts that branch managers and staff may not have been liberal enough distributing the "Homemaker" packs.

The net result of all this was that Lloyds did not even get one-third of the 13,000 incremental new accounts it had been expecting.

Of all the explanations and possible reasons for the failure of "Homemaker" the most important may well have been the short period allowed for its promotion. Ten weeks may not have been long enough to get the message across.

But if Lloyds had aimed for much longer than this it might well have run into trouble with the suppliers with whom it had arranged the discounts.

All in all it seems that "Homemaker" had a major built-in obsolescence factor.

The mine the 49ers missed

MINING

GEORGE MILLING-STANLEY

THE RECENT STRENGTH in the bullion price, which now seems to have established itself firmly above the $600 per troy ounce level, has led to a renewed spate of activity in the fields of gold exploration and development.

Gold has not closed below the current floor price of $600 since June 23, despite flirting with that level on several occasions, and this week has looked set to mount a further attack on the $650 mark.

Most analysts, especially the chartists, seem to agree that a decisive break above $650 can be expected to lead to a sharp rise in the rate of increase, possibly taking the metal even higher than the historic peak of $850 at the afternoon fix on January 21 of this year.

This strength, widely attributed to steady buying from Swiss sources, has boosted the Gold Mines index to its highest point since the summer of 1975.

But apart from its effect on share prices, the buoyancy of gold has induced many companies to step up the search for the metal. In some cases, this has involved them in taking a second look at prospects they had rejected earlier as uneconomic at the bullion price which prevailed at the time.

Naturally, much of this activity has taken place in South Africa, by far the largest gold producer in the world. Recent weeks have seen news of major expansion efforts by East Rand Proprietary Mines, Western Deep Levels, and General Mining Union Corporation (at Beatrix in the Orange Free State).

In addition, the Erteel/Dankbarheid areas to be exploited, and just last week Anglo American Corporation made a definite decision to go ahead with its plans to reopen the long-abandoned Simmer and Jack mine near Johannesburg.

But this week has shown that the upsurge in gold mining activity is not confined to South Africa. The North American continent has figured largely in recent news of developments on the gold front, with many of the leading names in the mining industries of the U.S. and Canada involved.

The U.S. ranks third among the Western world's leading producers of gold, behind South Africa and Canada, and the country's biggest gold producer, Homestake Mining, is naturally in the van of recent moves to expand output.

Homestake, for long dependent on its original Homestake Mine near Bobtail Gulch in the Black Hills of South Dakota, which was reputedly first discovered by a detachment of General Custer's army in 1874, has announced a major new gold discovery.

Of all possible places, Homestake's new deposit is in California which one would have thought had been pretty well scoured by the pioneers of the 1849 gold rush. Since those heady days of the latter half of the last century, the state has steadily declined in importance as a gold producer, and annual output currently amounts to less than 7,000 ounces.

This picture will change radically when Homestake gets its new property into production, probably by 1984. Annual output is estimated at a minimum of 100,000 ounces of fine gold over at least the following 10 years. The deposit, about 70 miles north-west of Sacramento, grades about 5 grammes of gold per tonne.

The mine is smaller than the original Homestake property, which last year produced 246,000 ounces, but it is clearly going to make a difference to California's status as a gold producer—and, of course, to Homestake as well.

Texasgulf, another of the leading mining and metals concerns in the U.S., has had to take a second look at a gold joint venture from which it withdrew in January, 1979, when bullion was between $200 and $220 per ounce.

With gold now around three times that level, Texasgulf has decided to develop the mine, at Cripple Creek, Colorado, with its original partners Golden Cycle and Golden Cycle Gold. Estimated reserves are about 300,000 tonnes of ore, grading just over 10 grammes of gold per tonne.

Another U.S. major, Newmont Mining, this week announced that it had found a gold deposit near its Maggie Creek project in Nevada. The new find is low grade, but likely to be much larger than Maggie Creek and suitable for low-cost recovery. Newmont is to go ahead with development work at both sites.

Newmont is also involved in the search for gold in Australia, through a joint venture between its Australian subsidiary Newmont Holdings and the local Valiant Consolidated.

Valiant announced in June that it had found "economically significant" gold mineralisation at Calzoni Pit on its Holleton prospect in Western Australia, about 200 miles east of Perth. The average grades are low, between 2 and 3 grammes of gold per tonne, but the prospect could make economic sense as an open-it operation, which is what Newmont is now considering.

The major Canadian natural resources company Noranda Mines figures in two recent gold developments. This first in which Noranda is in partnership with another Canadian company, Discovery Mines, is on Muir Island in the Northern Territories, and grades a rich 19.28 grammes of gold per tonne.

Noranda's second venture is in the U.S., in the state of Utah, where it is in partnership with Newpark Resources to reopen that company's Mayflower Mine. This property was mined between 1932 and 1972, and over the latter part of its life graded around 15 grammes per tonne.

Northgate Exploration, another Canadian company, this week released details of encouraging results from exploratory drilling at its Orofino gold property near Timmins, Ontario. The range of ore grades in recent tests is between 3.8 grammes per tonne and 8.7 grammes, with one narrow width showing a remarkable 72.8 grammes.

At the aptly-named Val d'Or in north-west Quebec, Canada's Camflo Mines has encountered a much wider strip of rich gold-bearing ore, 9½ feet grading 24 grammes of gold per tonne. Exploration work continues at the deposit.

Also in north-west Quebec, Falconbridge Nickel Mines is in partnership with Corporation Falconbridge Copper in a gold prospect in the Opawica region, with average grades of just under 7 grammes per tonne.

Obviously, these discoveries are not going to make up for the projected 30 per cent fall in the supply of gold to the Western world this year. Many of them will not actually be producing for several years. But they do serve to illustrate the strength of market forces in the field of gold development.

	July 1980 tonnes	June 1980 tonnes	Total to date tonnes	(months)	Same period previous year tonnes
Amal. of Nigeria (tin)	¶	129	428	(3)	443
Amal. of Nigeria (columbite)	¶	23	64	(3)	47
Aokam	114	99	114	(1)	136
Ayer Hitam	98	182	98	(1)	204
Berjuntai	350	294	941	(3)	924
Bisichi Jantar (tin)	¶	18½	138¾	(6)	150½
Bisichi Jantar (columbite)	¶	24	166	(6)	194
CRM Sri Timah	69	57	569½	(7)	501½
Ex Lands Nigeria	¶	¶	102	(4)	108
Geevor‡	120	82	384	(4)	368
Gold and Base (tin)	¶	22	146	(6)	152
Gopeng	165¼	162¾	1,606¾	(10)	1,599
Idris	17½	15¾	122½	(7)	157
Kamunting	Nil	2	20	(4)	211
Kinta Kellas	27½	28¾	112	(4)	132½
Kuala Kampar	21	24	95	(4)	101
Lower Perak	26	22	71	(3)	47
Malayan	251	249	251	(1)	336
Pahang	107	97	1,341	(1)	1,358
Pengkalen	7½	12	140¾	(19)	187½
Petaling	134½	133	1,274¼	(9)	1,135½
Rahman	109¼	122	109¼	(1)	65
St. Piran—Far East	15	12	69	(4)	27
St. Piran—UK (South Crofty)	149	196	674	(4)	629
St. Piran—Thailand	74	71	288	(4)	349
Southern Kinta	94	98	411	(4)	575
Southern Malayan	181	183	181	(1)	165
Sungei Besi	126	116	467	(4)	683
Tanjong	38	26½	161½	(7)	108¾
Tongkah Harbour	34	27	34	(1)	37
Tronoh	149	127	937	(7)	1,250

‡ Figures include low-grade materials. ¶ Not yet available. Outputs are shown in metric tonnes of tin concentrates.

هكذا من الأصل

BOOKS

Four cards from the Tarocco Piemontese—the Fool, the King of Swords, the Cavalier of Cups and the Jack of Coins, reproduced in "Twelve Tarot Games" by Michael Dummett (Duckworth, £5.95). Mr. Dummett gives precise instructions as to how the games may be played. They bear out his general point, made in "The Game of Tarot" (Duckworth, £45.00), which appears simultaneously, that the Tarot pack was invented, not for occultist or divinatory purposes, buto to play a particular type of card game. The longer book traces the history of the Tarot pack throughout Europe and its influence on the development of other card games and on the practice of trumping. It is a work of immense, rigorously applied scholarship and research comparable in importance to Murray's "History of Chess."

A.C.

A Czech Machiavelli

BY A. H. HERMANN

Night Frost in Prague: the End of Humane Socialism
by Zdenek Mlynár translated by Paul Wilson, Hurst. £9.50, 300 pages

Popular discontent and the spark of an idea produced in the Prague spring of 1968 no more than a flash in the pan. A revolt would have required leadership by a united, courageous, and well-organised group, but the people who toyed with the idea of a reformed Communism, and who surrounded and moulded Alexander Dubcek into the role of a protestant Communist, lacked those qualities.

This, and indeed the absence of any political leadership in the events which fired the imagination of the well-meaning left world-wide, is confirmed by one of the men closest to Dubcek, Zdenek Mlynár, a Secretary to the Central Committee of the Communist Party and a Machiavelli to the Prince that never was. His book is most timely: the tremors shaking Poland indicate that the occupation of Czechoslovakia could for a time suppress, but not solve, the contradictions of the Soviet empire.

The book is not pleasant to read. Except when describing actual events—and his revelations from inside the Kremlin are fascinating—the author remains shackled by bad habits acquired in drafting Communist Party resolutions and writing in the jargon required by the Communist Press.

The anecdotal illustrations of the Soviet treatment of the ruling communist party of Czechoslovakia, the kidnapping of Dubcek and his friends, and the so-called "negotiations" while they were held prisoners in the Kremlin call to mind the memoirs of Cardinal de Retz. The book also lifts for the first time the veil over the inner workings of the party Secretariat and Politbureau of the Communist Party of Czechoslovakia, a story of pitiful smallness, meanness and ineptitude. "I was shocked by what I saw in the world of the rulers," writes Mlynár. "Inside the power structure I saw how lamentably little real understanding there was of the actual aims and significance of the reform; how the skirmishes and infighting over positions of power dominated; and how easily these skirmishes eclipsed the real problems of the society's future."

Mlynár provides an excellent anatomy of this power structure. Central committee secretaries were more important than ministers but less important than people who played cards with President Antonin Novotny, and all of them obeyed certain obscure officials of the party apparatus, of whom it was known that they had a direct line to Moscow. Dubcek and his friends were no romantic idealists; they made their way to the top through the party machine, and lived inside it. Indeed, if Mlynár is to be believed, they saw nothing but the party machine. This, as well as the author's need to confess and justify his behaviour in the Stalinist period and during the Prague spring, would explain why the book hardly touches on the real causes and the major problems of the Czech reform movement.

The Czech reform movement developed within the communist party but it fed on more than the guilt feelings of the apparatchiks and on the consciences suddenly awakened after Khruschev criticised in 1956 the lawlessness and paranoiac cruelty of the regime established by Stalin and his associates in their empire. The system of central planning which was given quite a bit of credit by the Czechs when it was introduced in 1947 by communist economists trained at Balliol College in Oxford had lost all credibility by 1956, and the reality of an economy steered in the interests of a foreign power was driven home when Chinese orders, accepted at Soviet behest, and cancelled after the Soviet rift with China led to a standstill in many branches of the Czechoslovak industry in 1962. The gap was filled by orders never to be paid; the re-arming of Egypt, the equipping of Soviet Union's African friends, and above all an endless stream of consumer goods and industrial equipment to the Soviet Union.

By 1967 it was no longer a secret that the monies credited for these supplies to the clearing account in Moscow were periodically written off. By that time the Czech heavy engineering works were reluctant to promise more steel works and a giant plant for concentrating iron ore which Moscow wanted. They had exhausted their hard currency funds and were unable to buy in the UK and West Germany the computers and specialised machinery which the Soviets ordered but which they were not willing to pay for. The Czechs realised that their industry cannot survive without a certain measure of economic independence and this irked the Russians more than calls for the freedom of the press. However, nowhere in Mlynar's book can one read that, in addition to the political declaration which Dubcek had to sign when a prisoner in the Kremlin, he also had to undertake to build in the Soviet Union the disputed iron ore concentrating plant, and to supply additional thousands of Tatra lorries.

Mlynár's conjectures about the strife between the Brezhnev faction and the Soviet marshals, and how this influenced Soviet policy are highly plausible. He also gives a very convincing picture of the historical fear of China which possessed the older generation of Soviet marshals, but which, in my view, is part of the mental make-up of most Russians in all walks of life, young or old. What he does not make clear, however, is that long before the emergence of Dubcek, Soviet marshals, anticipating détente with the West, were obsessed with the desire to push their armies as far west as possible before the negotiations for détente started. Czechslovakia was the only vassal country with no Soviet army on its soil, and one of the reasons why the Stalinist President Novotny was so easily dropped was that he resisted Soviet demands for stationing of their units on West German border. The Prague spring was a welcome opportunity for achieving this end.

Anyone who knew about the events only from Mlynár's book would not realise that the main preoccupation of the Czech reformists from March 1968 onwards were efforts to prevent the Warsaw pact military exercises in Czechoslovakia. They succeeded in putting them off at the Leipzig meeting in April. In May the Czechs mustered up the courage of staging their own military exercises in Slovakia at a time when the Soviet forces were massing on the other side of the Polish border. When they finally gave up and "allowed" these exercises to take place in June they knew that only a miracle could save them.

Mylnár explains why Brezhnev could display such indifference about the successor of Novotny in 1968. He knew that the new Politbureau would include at least two of his agents; men who, to everyone's surprise, became ardent reformists after Brezhnev's arrival in Prague, and helped to topple Novotny. But the Soviets had even more powerful allies than that in the men they set out to crush. With the exception of Smrkovsky, the Chairman of the National Assembly, who was ill and old, none of the boys were trained for statemanship. They were party bureaucrats, and their only experience of life was in totalitarian systems, whether Nazi or Communist. The moderates among them could be easily manipulated into doing their worst by a threat that if they did not, hardliners would be put in their place; the ambitious had the excuse that their advancement would bring to the nation benefits.

In the early 60's Rudolph Barák, then Minister of Interior, was suspected by Novotny of planning a putsch to remove the Stalinist leadership at a time when most Czech political prisoners were still incarcerated. Novotny had him arrested and accused of embezzlement. Mlynár presented these accusations to party meetings as if they were true: "It was quite embarrassing," he writes. "I knew the whole thing had a political basis . . ." "For the most part insincerely, I also engaged in a number of polemics against Yugoslav revisionism . . . to deviate from this (critique of revisionism) would necessarily have meant losing all the ground I had gained over the years, losing the opportunity to struggle for the reform of party policies from inside . . . After all I had written my dissertation in 1959 on Machiavelli, and I knew . . . that a successful politician cannot always base his decisions on the principles of individual human morality. . . ."

Hinde sight

BY RACHEL BILLINGTON

Mr. Nicholas
by Thomas Hinde
Macmillan. £6.95, 269 pages.

Sir Henry and Sons. A Memoir
by Thomas Hinde
Macmillan £6.95, 173 pages

Daymare
by Thomas Hinde
Macmillan £6.95, 243 pages

Thomas Hinde: 28 years later

The presentation of character in a novel varies from a take it or leave it physical description accompanying vigorous action and dialogue to the deepest possible analysis of every layer of consciousness. The former method is generally favoured by a lot of bad writers and some very good ones—Hemingway, Muriel Spark, etc. The latter is most often used by the consciously intelligent writer who has a real gift for exploring character and can't resist mapping every nook and cranny. Sometimes this can be rewarding. Sometimes it can clog up a novel to the extent that it becomes unreadable.

This is relevant to the writing of Thomas Hinde who has three books out simultaneously. The first, Mr. Nicholas, is a reprint of a novel written in 1952. It concerns the relationship between an Oxford student and his family, with the dominant father being the dominant character. The second, *Sir Henry and Sons* is a memoir of Thomas Hinde's relationship with his own father, Mr. Nicholas unmasked as Sir Henry Chitty Bt. The third is *Daymare*, a novel about a village which is threatened by the disintegration of society both from within and without. (In the end "without" proves the nastier.)

Mr. Nicholas is a wonderful novel, full of passion but written subtly with humour, sympathy and restraint. Father, mother and three sons are locked in a terrifying family dance. We care that they should survive. The insights we are given into their characters arise naturally and never overweight the story or the prose. Mr. Nicholas himself is a brilliant portrayal of a fascinating monster.

One turns therefore with interest to *Sir Henry and Sons*. Where is the reality? Unsurprisingly, being reality, it is less vivid, less shapely and filled with the kind of details of the past which, according to mood can seem utterly trivial or "a meticulous evocation of a past era." Thomas Hinde, the son, clearly feels more affection for his father than Thomas Hinde, the writer. Or perhaps time has softened the despot's image. At any rate this takes out some of the vitality of misery, hatred and love. Possibly the realisation of this caused Mr. Hinde to centre the book on his father yet write in some depth about himself. The spotlight becomes his when he reaches Winchester.

It is at Winchester that he first identified his gifts as a writer. "Because we live in such a close-packed society, we are of constant interest to each other. Everything anyone does or says is noticed and discussed. Characters are continually analysed. It is an activity in which I discover unusual confidence."

It is this "confidence" which in the third book, *Daymare* has eventually—28 years after the successful *Mr. Nicholas*—caused his downfall. The novel is crammed with characters, a whole village of them, all with their peculiarities, all understood from the inside by Mr. Hinde. And then turned inside out for us. The smallest appearance, a mere walk-on part, is accompanied by such a load of analysis that he is sunk before he says a line or takes a step. On occasions, for a few pages, it will seem richness, even marvellously good writing, and then again it becomes too much. The narrative thread, never very strong, relying on a vague sense of menace to keep us reading, knots up once too often. Why carry on? It is a pity. The end when it comes is powerful; the image of our society cathartically bitter.

Fun among the faculty

BY ISOBEL MURRAY

Unholy Loves
by Joyce Carol Oates. Victor Gollancz. £6.95, 335 pages

Clear Light Of Day
by Anita Desai. Heinemann. £6.50, 183 pages

Love, etc.
by Bel Kaufman. Allen Lane. £6.50, 446 pages

Second Sight
by Sally Emerson. Michael Joseph. £6.50, 240 pages

Departures
by Jane Bernstein. Allen Lane. £5.95, 288 pages

Joyce Carol Oates is a distinguished academic in the United States, as well as a fine novelist. So when she produces a novel set in a university, we expect something more than the modish campus novel, and in *Unholy Loves* we are not disappointed.

The plot concerns the arrival at Woodslee University of Albert St. Dennis, said to be the greatest living English poet. He is to be poet in residence, to add prestige to the University. We also become aware that a number of people intend to manipulate his presence to forward their own academic, political or social progress. The poet is an old man, not yet accustomed to the death of his wife, going to Woodslee primarily from financial necessity. And he is nervous, lonely and unhappy, appearing egotistical, boring, and most of all drunk. But he is not the centre of the novel.

Joyce Carol Oates has structured her novel unconventionally, in the flow and eddy of a series of faculty parties, and its success partly depends on her unusual ability to convey social occasions, with all their tensions, nuances and embarrassments. It also depends on the expertise with which she opens to us the consciousness of many of the characters, with a rich breadth of sympathy.

Brigit Stott, 38-year-old novelist in the English department, is the nearest to a central character; and her surprising love affair with the gifted young musician she has disliked (and believed homosexual) is unwittingly triggered by the ageing poet. But the strength of the novel is in the range of characters we are made to feel for; the older academics whose sociability and generosity mask a relentless ambition, the lecturer dying slowly in a wheelchair and talking loudly, endlessly about it, the beautiful young wife of a new lecturer who gradually learns how to reverse her husband's termination of contract, the faded *enfant terrible* who still believes he shocks his students. A remarkably accomplished book.

Anita Desai, in *Clear Light of Day*, also attempts an unusual structure, which the reader hardly becomes aware of until the end. Her novel is about an Indian family of four, especially round 1947 and at the present. But it is organised in unobtrusive shifts of perspective, beginning with the return "home" of Tara, wife of a successful diplomat, and her guilty reaction to her sister Bim, who has stayed in Old Delhi to teach, and to care for their serene, retarded brother Baba.

The movement is from present to past, to a gradually deepening understanding of both. Bim has been estranged from her brother Raja, in childhood almost her other self. Baba is the only wholly happy member of the family; his happiness is in an ancient gramophone and a pile of scratchy records, which satisfy him completely.

The sisters have to come to terms with old times, emotions, fears. Tara racks herself with reproach, for having deserted Bim, once as a child set on by a swarm of bees, but more seriously as an adult, leaving her with an idiot brother, a dying aunt and a family business to care for. And Bim has to make an inner peace, especially with Raja.

The interweaving of past and present in the novel is underlined by frequent quotation from T. S. Eliot, and its shape is not unlike the musical arrangement of *Four Quartets*. A most impressive, vivid novel.

Bel Kaufman's *Love, etc.* is considerably the longest of these novels, but it makes compulsive reading. Again, it is not narrated in any of the simple traditional ways, but put together out of exchanged letters, diary entries, notes and passages of a novel.

Jessica is 57, divorced some 12 years ago, and entering into an impossibly beautiful love affair with the mysterious, romantic, impossibly adoring Max. She writes of Max in her diaries, and to her successful former student Nina, now a famous novelist. She is writing a novel about divorce, which brings backs her own past pain and affects her present romantic turmoil. Isabel and Edgar, the couple in her novel, help her to understand some things— and sometimes rebel against her manipulation of their lives.

The apparently artless form of the novel allows for all sorts of effects: the juxtaposing of similar or contrasting scenes, the gradual defensiveness Jess develops over Max, so that she writes less and less to Nina, more desperately to herself. Essentially this is a sensitive and good-humoured novel, exploring the paradoxical relations of art and life in a positive and interesting way.

Sally Emerson's first novel *Second Sight* is an ambitious attempt to portray an unusual 15-year-old girl. Jennifer has a strange, almost psychic quality, and she lives in vivid imaginings of Shelley, and of Aphra Behn, about whom her father has written a book. She loves her father, and is repelled by her mother's blatant sexuality and promiscuity.

At the same time, the novel concerns a murder trial which father is to write about, and the characters of that drama. Jennifer's mother takes a young lover, Paul, who seems attracted to Jennifer also, and to be somehow involved in the murder case. Will Jennifer press her plans for a seance, to impress her father with her powers, or will she accept her physical responsiveness to Paul? Disappointingly, the question is only partly answered, but the novel is strong, individual and full of promise.

Departures is another first novel, set in New York. Lydia is a postgraduate student of entomology, who runs every day: Kramer is a would-be film maker who plays basketball. Even before they fall in love Kramer is intending to go West, Lydia to stay put.

After Kramer leaves, Lydia stays behind. But she has to remake her life. The bulk of the novel is concerned to chronicle that gradual process, through old and new relationships, with honesty and candour.

Mrs. Browning

Mrs. Browning, the story of Elizabeth Barrett
by Rosalie Mander. Weidenfeld and Nicolson, £7.95, 162 pages

Rosalie Mander's new biography, is subtitled, "The Story of Elizabeth Barrett;" it would have been wise to have added the codicil, "and friends," for it is crammed with anecdotes and vignettes of her fellow Victorians. Whilst this serves to give us a detailed description of the milieu which she inhabited, in a biography of only 162 pages, it means that the amount of detail on EBB herself, must be somewhat curtailed.

Disappointingly, it is the emotional and psychogical aspects of her life which are only fleetingly touched upon. There is little deep discussion of the nature of her illness, her relationship with her tyrannous papa, or the exalted love she had for Browning. As she believed strongly in the development of an inner life—the concept permeates her poems and sustained her through the long years of outward subjection at Wimpole Street—it leaves the definition of her character shadowy and vague.

Rosalie Mander does draw attention to her talent for satire of contemporary life, she chronicles her relationship with Georges Sand, her belief in spitituals im and her political involvements with Italy.

VALERY McCONNELL

PROPERTY

The right price at the right time

BY JUNE FIELD

THOSE WHO were hoping to sell their homes before the summer is out and move on to pastures new before winter sets in, are getting anxious if there is no sign of a deal in the offing.

"It is generally predicted that interest rates must continue to fall during the autumn and winter giving rise to a strong demand for property in the late spring and summer of 1981," declares one current report on the state of the market. But sellers want to know what can be done now to promote sales, so that in turn they can get on with the business of buying.

A great deal of talk goes on about "the right price" for a property. For instance, "owners must be prepared to consider realistic and competitive prices," a Hampshire agent says. most estate-agents are reluctant to name the right, realistic, competitve price in today's uncertain market.

"To base valnes on prices that were achieved a few months previously can often lead to an inaccurate valuation," Mr. Nigel Steele of Strutt and Parker's Ipswich branch admits.

In Property Trends, first of a new series commenting generally on the property scene, be reports that "both the top and bottom ends of the market are still showing signs of strength . . . with demand for the above-average property. This is in complete contrast to the middle market, £35,000-£80,000 where there is very little movement, with cash buyers in a commanding position."

For a free copy of the leaflet, plus details of property (give your price-range), in Suffolk, now regarded as a growth area with the proposed new Ipswich by-pass plus ease of access to Europe, contact Mr. Steele, Strutt and Parker, 11, Museum Street, Ipswich (0473 214841).

One way to find out if your own property price is pitched too high, is to check with your agent what the reactions of viewers have been. Assuming that the place has fulfilled the basic requirements of size, location, amenities and style, was there anything specific that put them off, and if so is there anything you can do about it, in addition to making an allowance on the price? With so much to choose from, buyers are mnch more fussy about conditions now.

How much to actually spend on a house before pntting it np for sale, has always been debatable; yet a modest amount on presentation must always be worthwhile.

If you were presenting yourself for a top job, you would consider it absolutely essential to make a good first impression. Mnch the same thinking should be applied to the appearance of a bouse, and a hit of freshening up of paintwork inside and out, window and curtain cleaning, can make all the difference.

While starting to clear out all that accumulated junk and rubbish from attics, cupboards and garden sheds will not only give a property a fresher aura, but it will be jnst that mnch less to do hefore you move; and there is never as much time between contract and completion as you think.

Flower-filled windowboxes, hanging baskets, tubs and pots, can all smarten up a shabby exterior at little cost. And "£10 on bedding plants can gain you £100 on the price," insists a practical leaflet *Selling Your House*, which also suggests you should dress up the garden, observing "You need not be a Percy Thrower, but no new buyer wants to spend weeks in a wilderness."

Other useful tips include the bonus of paying particular attention to the front door. "Many a sale has been clinched by the addition of a new knocker, letter box and bell push." Although a little homely clntter won't necessarily put people off, it could be worthwhile taking some furniture out of some of the rooms to make tham seem bigger. Builders' showhousea are not full of too many things for this very reason.

The leaflet is part of New Ideal Homes' various schemes to help a prospective purchaser sell an existing home (this mortgage service is available to either side), and is free from Mr. Christopber Price, Goldsworth House, St. John's Road, Woking, Surrey.

Understandably one of the most sńccessful ploys in making the market move has been the house-swap idea, particularly when mortgages were scarce, because a building company such as Barratt Developments, leading exponent of the scheme, could offer part of their allocation to hnyers of the bomes they bought in.

Details of the latest trade-in operation from Mr. B. Hart, sales manager, McLean Homes South East, Tarmac Group, London Road, Sevenoaks, Kent, which sells houses in Chelmsford, Canterbury and Eastbourne, in a range £25,850 to £60,000 or so. The company will offer 95 per cent of the fair market value (not the asking price), on a valuation from a local estate agent, bnt, of course, there are some limitations.

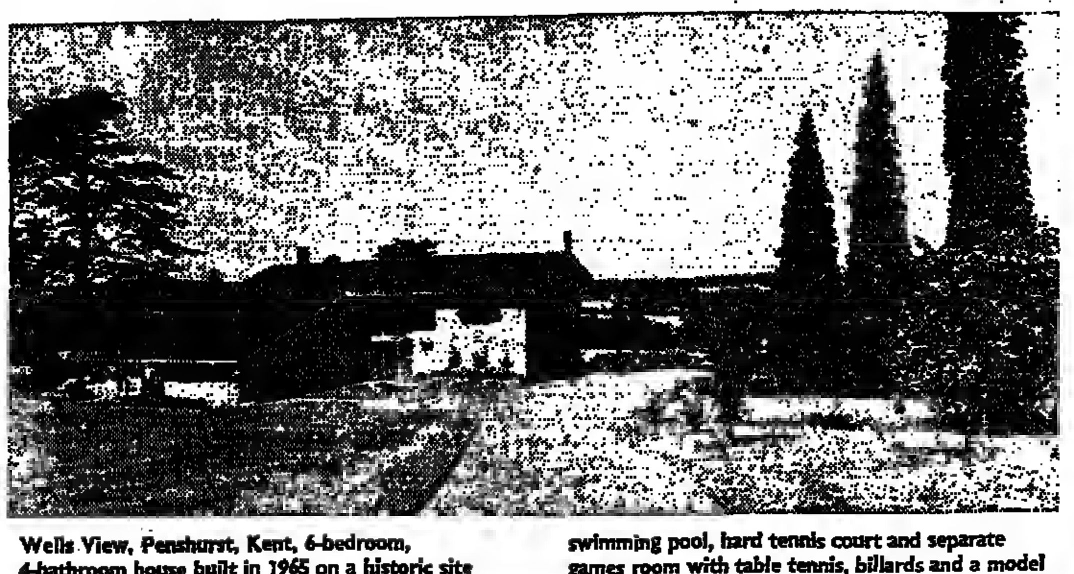
"Normally we would not wisb to apply the Guaranteed Purchase Plan where the value of someone's present home exceeds 80 per cent of the price of the new home," Mr. Hart explains. He also points out that the company could lose on a bouse owned for three months, hecause of expenses incurred not only in legal costs on both the purchase and sale, but in servicing the property—for example cutting the grass while the house is unoccupied, insurance, fees for advertising and agent's commission, as well as financing costs, say 20 per cent on the wbole operation.

The present range of subsidies for buyers from the building companies continue too, although some scorn them—"no 'free' incentives in our prices, just good value," Taylor Woodrow Homes claims. Abbey Homesteads says: "No gimmicks which you end up paying for." I suppose one could ask why not just reduce prices?

Discounts for speedy exchange of contracts (offered by Crouch, Croudace, Prowting Estates, Unit Homes, Wates Built Homes) are always welcome, and the practice could be adopted by sellers of second-hand bomes. Useful, particularly for first-time buyers, are cash hand-backs on mortgage rates frozen for a year. (Moody Homes and Davis Estates offer 9 per cent against the current 15 per cent on the first £15,000 horrowed.)

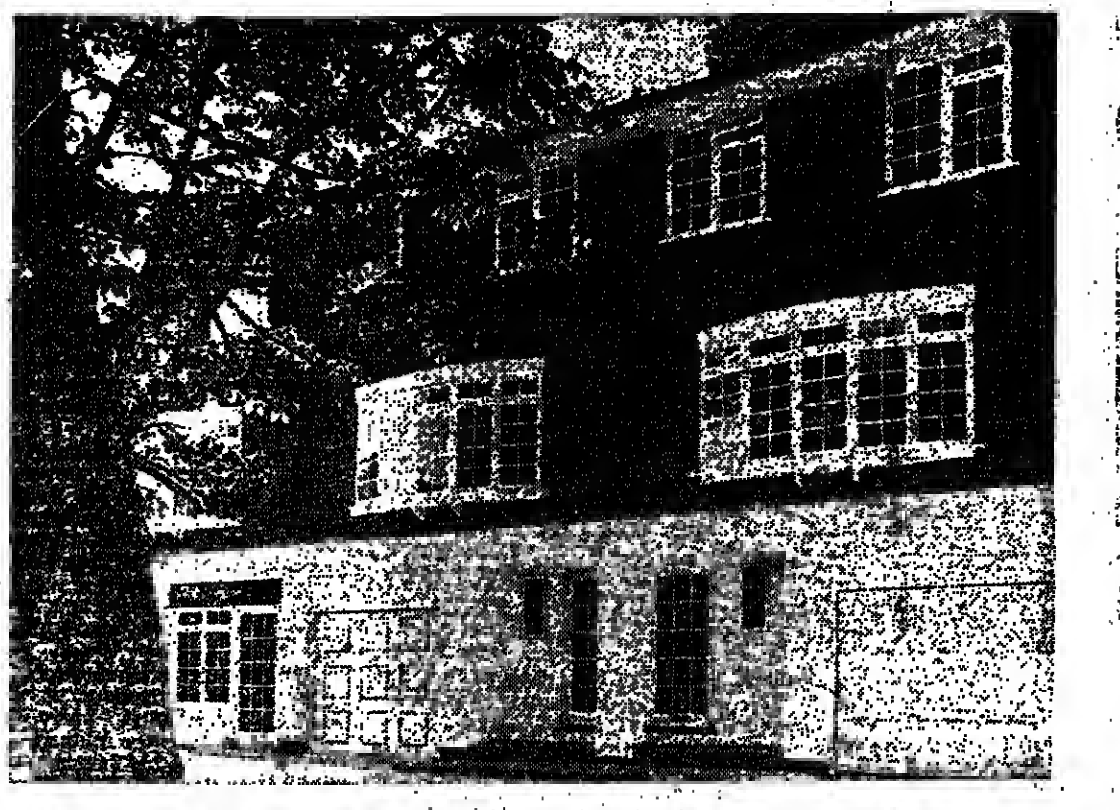
The Comben Group will guarantee mortgage repayments for up to three years if a buyer should be made redundant in their job. (Details, Mr. Tery Roydon, managing director, Comben Group, 1, Portland Square, Bristol.)

A voucher for £500 for furnishings comes with bomes from £33,500 bnilt by A. C. Jenner and Son at Flackwell Heath, near High Wycombe. (Details Hamnett Raffety, 30, High Street, High Wycombe, Buckinghamshire.)



Wells View, Penshurst, Kent, 6-bedroom, 4-bathroom house built in 1965 on a historic site (in 1521 Henry VIII's agent after inspecting the original house is reputed to have said "it's only two miles by crow to Hever and Ann Boleyn"), has a dark room, sauna, solarium, heated swimming pool, hard tennis court and separate games room with table tennis, billards and a model railway, plus 6-acre gardens with a 12-acre paddock. Price £285,000. Brochure from Malcolm Lowe, Bernard Thorpe and Partners, 17/19, Station Road Oxted, Surrey (Oxted 2375).

These new 3-bedroom terraced houses at Forest Vale, off Fullerton Road, Lymington, Hampshire, are from £24,950 freehold on an outright purchase basis; or eight owners can buy six weeks each annually for 10 years for a once-only payment of £4,500 to £5,250 including furniture, according to the combination of weeks chosen. At the end of 10 years the property will be sold and the proceeds shared by the co-owners. If some of them want to continue for a further period, they will have the right to buy the other shares at break-up valoe. Details Tony Gimson, director, Laing Homes, Freepost, Watford, Herts WD1 8FP (Watford 0923 or 33688).



There is no shortage of buyers for Fairview Estates new 3-storey, 4-bedroom and 2-bathroom town houses in Oldfield Mews, off Hornsey Lane, Highgate, N.6. With good views over the surrounding area, the houses are in a part of London where land for new houses does not often become available, and over half of the properties have been sold at prices from £74,000 to £82,000. Details from Gilbert Bryce at the showhouse open 10—4 Fridays, Saturdays, Sundays and Mondays.

MOTORING

Contender for Car of the Year

BY STUART MARSHALL

WHATEVER HAPPENED to the secret new car, the Motor Show sensation that startled the world when the dustsheets were pulled aside on opening day? No one understood how to dramatise the debut of a new car better than Jaguar's Sir William Lyons, who wiped the competition's eye time and again at Earl's Court.

Nowadays, the introduction of a new popular model is a long drawn out and remarkably public affair, with anticipation fed on leaked pictures and details months before the car is due.

But even by current standards Ford do seem to be prolonging the agony with their new Escort. After a couple of years of build-up during which details were made known of the new overhead camshaft engines and full Press coverage was given to the car's American launch, I first set eyes on an Escort in metal at the National Exhibition Centre, Birmingham, last month. And very good indeed it is, too.

How does it go? Alas, I cannot say. No British motoring correspondents, except those on the Car of the Year jury, have yet driven the Escort and I am slightly embarrassed to admit that this column won't be commenting on the way the Escort goes for another three weeks.

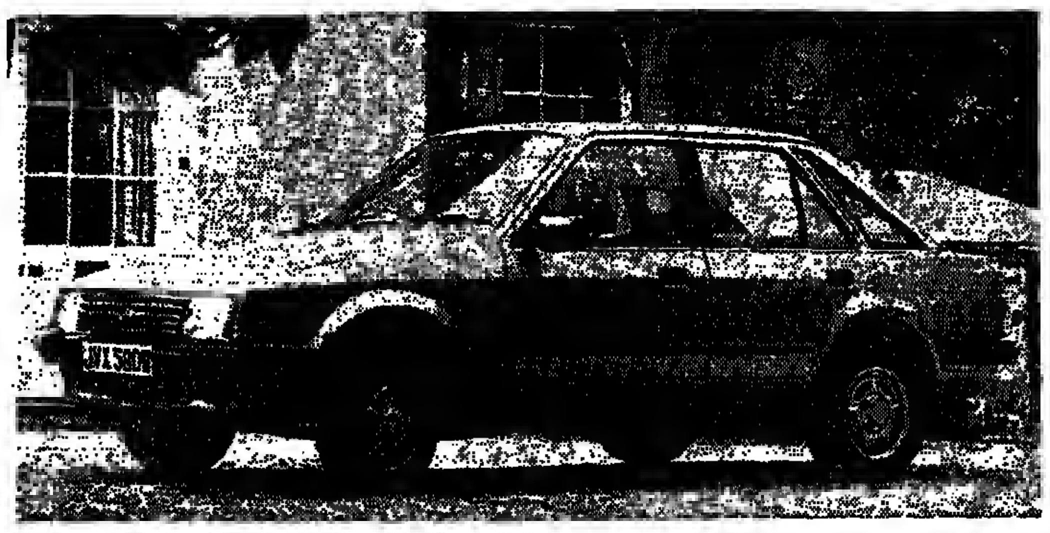
Having sat in all the new Escorts and examined them closely, I have to say I am very impressed. The new car makes the old Escort look positively geriatric and relegates the Cortina to the "boring box" category.

Ford, with their traditional expertise, have created an Escort for a wide sector of the market from the outset. The cheapest one, powered by the old 1.1-litre engine and costing only £3,374, will compete with all the superminis like the VW Polo and BL's soon to be unveiled Austin Metro (which I have already driven) as well as Ford's own Fiesta. At the top end of the scale, the £5,033 1600 Chia Escort looks an attractive alternative even to rivals like the 1980 Car of the Year, the £4,995 Lancia Delta.

With four months still to go before the 1981 Car of the Year Award is announced it is now clear that the Escort is the odds-on favourite to win by a large margin. The only issue open to doubt is whether the Fiat Panda will beat the Austin Metro into third place, or vice versa. (I think it will, but only just.) Fourth place will probably go to the Renault Fuego coupe, due here next month but already familiar in France and several other European markets. The new Rolls-Royce does not qualify because it won't have been made in sufficient quantity. Nor will the four-wheel-drive Audi Quattro (this year's most interesting car) or Renault's staggering little 5 *Turbo*.

Ford will, no doubt, be delighted when the new Escort gets the title Car of the Year 1981 because they smarted four years ago when the jury chose the Porsche 928, not their new Fiesta, for the award.

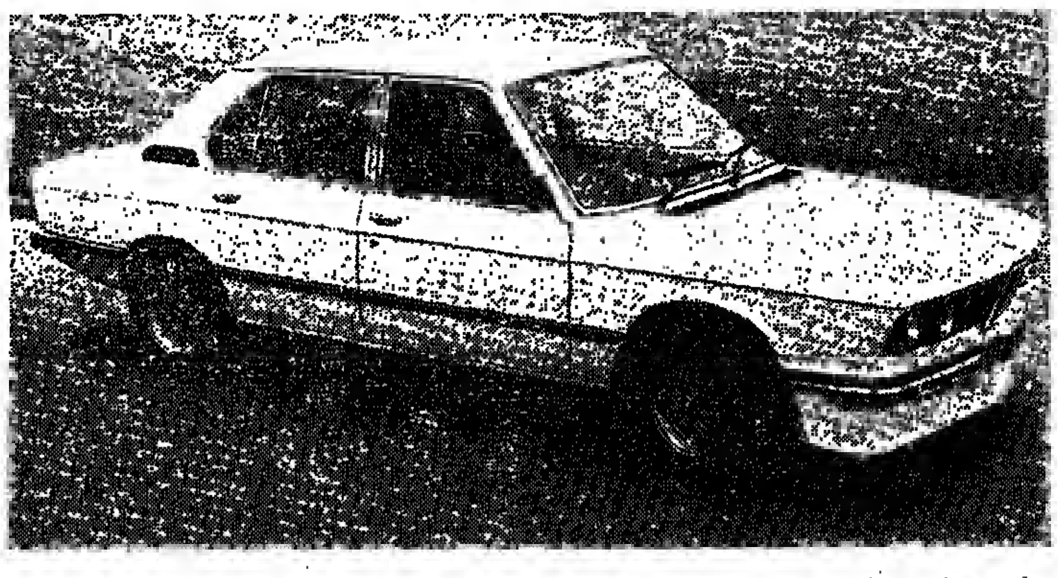
Whether gaining Car of the Year is of any lasting commercial value is debatable. In the last six years Chrysler (now Talbot) have won it twice with the Alpine and Horizon and BL once with the Rover 3500. It boosted morale but did nothing for their solvency. Clearly, marketing the Car of the Year successfully is a great deal more difficult than making it.



A lot of power at half the price

IT IS A tried and trusted formula. You take a medium-size saloon car, beef up the suspension a little, fit an air-dam under the nose and a spoiler on the boot lid and drop the biggest and most powerful engine in your range under the bonnet.

That is what BMW have done with the M535i (pictured here) and rarely has the tactic been more successful. BMW's British subsidiary, never at a loss for a neat phrase, say their latest executive hot rod combines performance few sports cars can better with a restrained dignity. It is a fair claim.



Driving the M535i earlier this week on the Continent, I found it wholly satisfying. At its 140 mph maximum it remained rock steady; it cruised for mile after exhilarating mile at 120 mph. Yet in town it was gentle and untemperamental and on winding roads it could be treated almost as a one-gear car, so flexible was its fuel injected, 218 horsepower 3.5 litre six-cylinder engine in fifth gear.

It shoots up to 60 mph from a standstill in seven seconds, the limited-slip differential controlling wheelspin nicely. The power assisted steering makes for easy manoeuvrability in car parks without affecting handling precision at high speeds. The ride is fairly firm and the hip-hugging seats even more so but they do hold you nicely in place when you let the M535i off the leash and exploit the great cornering grip of the Michelin XWX very high speed tyres.

Just 200 of the cars will be allocated to Britain from October. They will cost £13,745. A day-to-day fuel consumption of around 23 mpg may be expected, BMW say, and even more if the car is driven with a delicate right foot which is, of course, to deny its real function.

What I enjoyed most about the almost indecently quick M535i was its solid feeling of strength, its gentle good manners and predictability. At £13,745 for a roomy 4/5 seat, four-door car with a big boot it really does make a nonsense of cramped and nervous super-cars costing more than twice as much.

LEISURE

No lack of a port of call

TRAVEL

SYLVIE NICKELS

NEARLY 90,000 people sailed out of British ports on cruises last year, and about half as many again left from British airports on fly-cruises to join a voyage out of some foreign port.

The basic advantages of each are fairly obvious. Sailings from the UK eliminate the hassle with luggage and the restrictions on its weight. Fly-cruises get you to the sun more quickly.

With over 100 cruise ships operating around the world, there is plenty of choice and the emphasis on long haul continues, quite apart from the several world cruises. Of the limited number that are actually sailing from Britain this winter, the lion's share probably goes to P&O from Southampton to the Canaries, West Africa and Brazil between early October and the New Year, and Fred Olsen's regular 13-night return sailings to the Atlantic Islands from London (Millwall).

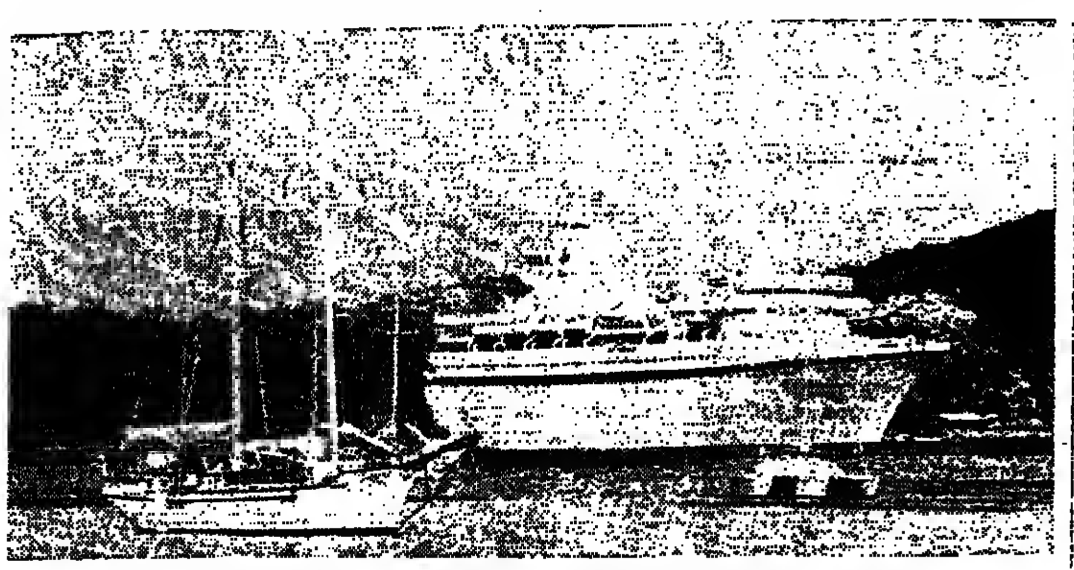
But in terms of world-wide popularity, it is the Caribbean that heads the list. About a million people are said to cruise out of Miami in a year. Last year only 7,000 were British but, with the strength of the pound over the dollar, there ought to be a sharp rise if the shipping lines play their cards right. Certainly it will pay the British holidaymaker to shop around or, even better, find a good agent — for shopping around applies to more than just the cost. You can, for example, go British (Cunard, P&O), Norwegian (Norwegian Caribbean, Norwegian American, Royal Viking), Italian (Costa Line), Greek (Sun Line), Russian (CTC), or Dutch with a spice of Indonesian (Holland America).

The various national characteristics certainly make an impact. Unless you are an inveterate shipboard person, the number and selection of ports of call is of prime importance too.

Among the bargains this winter is Cunard's offer of some free flights to New York or San Juan for *QE2* and *Countess* or *Princess* Caribbean cruises. Norwegian Caribbean's *Norway* (formerly the *France*) will certainly be a great draw, too, with her seven-day voyages out of Miami.

Whichever line you choose, however, a considerable proportion of your fellow passengers will be North American. Thus you will make friends almost as soon as you articulate, for British accents still seem to intrigue, and natural trans-Atlantic *bonhomie* disposes of most barriers.

But be wary of organised shore excursions. The Americans are insatiable collectors of the most amazing curios, and excursions are often geared to shopping rather than local sights. Providing they are forewarned, cruise staff can usually make arrangements for small parties of non-shoppers to do their own thing, and it can save a lot of frustration.



M.S. Sun Viking with small boats off St. Thomas in the U.S. Virgin Islands.

That said, I had a marvellous time on a 14-day Holland-America voyage touching eight Caribbean island and mainland ports. Next winter, three of their ships combine to offer 9, 10, 11, 12 and 14-day itineraries. Choose carefully and the variety of landfalls in terms of scenery, local colour and historical influences can be quite remarkable.

An area in which the permutations on cruising or fly-cruising have developed sharply combines Californian ports with Mexico, sometimes extending to Florida via Panama and Caribbean ports —and vice versa. Royal Viking Line and P and O are among the major contestants.

P and O's cruise series out of Los Angeles, for example, features Acapulco, the Panama Canal, Cartagena and five Caribbean island ports, and duration is 20 nights including return flights from London.

In West African waters, Finnlines has carved quite a name for itself and leisurely 15-day winter itineraries on the Finnstar out of Las Palmas include the Cape Verde Islands, Senegal, Liberia, Sierra Leone and the Gambia. A touch of Finnish folklore and the fabulous Finnish cold table spread are added attractions.

Still in Africa, there is to be a mini-revival of the Southampton-Cape Town run: by the Italians with Lauro Line and the Greeks with Karageorgis. The latter has one south-bound (November 20) and one north-bound sailing (March 19) this winter, with a series of South American voyages in the interim. Lauro leaves Southampton on November 28, returning in January, but continues round the Cape to Durban, and then on to the Seychelles or Mauritius.

Though it is no use expecting a good-weather guarantee in the Mediterranean, it will certainly be substantially better than in home waters. BI's 13-night series on the Uganda, packaged as fly-cruises, all start from Mediterranean ports and concentrate mainly on the eastern end. Special reductions apply to combinations of two cruises in a "Month in the Med" offer.

With its better chances of good weather and its exotic background, the Far East is becoming an increasing draw in spite of the distance. Cruises include one of the loveliest itineraries of all—the 14-day Prinsendam adventure voyages of Holland America out of Singapore, all or part of which feature in a variety of packages ex-UK.

Addresses: P and O and BI, Beaufort House, St. Botolph Street, London EC3A 7DX; Fred Olsen Lines, 229 Regent Street, London W1R 8AP; Cunard, 8 Berkeley Street, London W1X 6NR; Norwegian American Cruises, 11/12 Pall Mall, London SW1Y 5LU; Norwegian Caribbean Lines, 63 Grosvenor Street, London W1X 0HU; Royal Viking Line, Hanover House, 73 High Holborn, London WC1V 6LS; Costa Line, 16 Maddox Street, London W1R 9PL; Union Lloyd (for Sun Line and Finnlines), 27 Cockspur Street, London SW1Y 5BG; CTC, 1-3 Lower Regent Street, London SW1Y 4NN; Holland America Cruises, 175 Tottenham Court Road, London W1P 0DE; Lauro Line, 84/86 Rosebery Avenue, London EC1R 4RE; Karageorgis Lines, 36 King Street, Covent Garden, London WC2E 8JS.

Ways with yogurt

COOKERY

JULIE HAMILTON

AS I SIT in a modest village restaurant in Cyprus, savouring the aroma rising from the charcoal which is cooking my fish, a clay pot full of creamy yogurt is placed on the table, with salad and other side dishes.

It is the very best yogurt I have ever tasted. I feel sure it is made in the Cypriot sunshine which cannot be repeated at home.

Nevertheless, home-made yogurt is the next best thing, far superior to anything bought in a shop. I have a Pifco yogurt maker which will give me up to 3.25 pints in one go, invaluable when you have a large family or when you want to make cheese or use yogurt in your cooking and still have plenty left over for eating straight.

Another advantage of the yogurt maker is that you can vary the yogurt, making it milder or sharper, thicker or thinner, with or without cream.

The Pifco comes with a very good little instruction and recipe booklet. The method could not be simpler. You mix the sterilised milk of your choice with a small carton of any natural yogurt, place it in the containers and switch on. The time taken varies according to the type of milk used and the consistency required.

With a never-ending supply of yogurt passing through the 'fridge, you can be bold and experiment. Make a salad dressing by adding salt, pepper and lemon, mix it with the heart of a finely chopped lettuce, add onion and cucumber if you like.

Make an egg custard by stirring egg yolks mixed with yogurt and finely grated orange rind over hot water until it thickens. Then use it as the cream base for a fruit flan.

Vary apple meringue by mixing 5 oz yogurt with 1 lb apples which have been stewed with butter, puréed and beaten together with one egg yolk. Put in a gratin dish and cover with meringue. Bake for 1½ hours in a slow oven. Serve cold.

You can thicken yogurt by hanging it up in butter muslin. For example, if you want to use it in any dish instead of sour cream, it is best to let the whey drip away for an hour or so, giving you a much creamier consistency.

To make a cream cheese, hang up one pint of yogurt overnight or longer, mix in salt to taste and herbs of your choice—and try to stop yourself eating it all in one go!

Try making a cheese similar to the Hungarian favourite called Liptoi. You will need half as much softened butter as you have yogurt cream cheese, one dessert-spoon of sweet or hot paprika (according to taste), a bunch of chives, salt and freshly ground black pepper.

With a wooden spoon, combine all the ingredients in a bowl and beat them vigorously with the spoon (no electric gadget should be used) for at least 20 minutes. When you have a smooth and fluffy mixture, shape it on a dish or put it in a pot and chill it thoroughly. It is really delicious.

Here is a very decorative starter:

SURPRISE AVOCADO
(serves four)

2 avocados; approximately 2 tablespoons very thick yogurt cream cheese; 1 clove crushed garlic; 1 tiny piece lemon rind crushed with the garlic; salt and pepper; a little melted butter; pinch of caster sugar.

Mix the garlic and lemon into the cream cheese, season with salt and plenty of black pepper and sugar. Cut the avocados in half lengthways and remove the stones. Fill the cavities with the cheese mixture. Brush all over the cut surfaces with melted butter and close the halves together so that they look as if they had not been opened. Wrap them in cling film to ensure they stay in position and chill for at least four hours but preferably longer.

To serve, carefully peel the whole avocados and slice them across, as you would a hard-boiled egg, to produce green rounds with white centres. Place on a lettuce leaf and offer hot French bread.

My next recipe is a substantial starter and could easily be a supper dish on its own.

YOGURT SOUP
(serves four)

1 pint yogurt; ½ pint water; 6 oz cream; 6 medium-sized cooked potatoes; 6 hard-boiled eggs; ½ cucumber; bunch of radishes; ½ lb chopped ham or leftover cold chicken.

Mix together the cream, water and yogurt. Cube the potatoes and cucumber, chop the hard-boiled eggs, thinly slice the radishes and, with the ham or chicken, add them to the yogurt cream mixture. Season to taste. The soup should be very thick with ingredients and served with hot toast or French bread.

MELITZANES BYZANTINE
(serves four)

This is a rich and strong-tasting dish, good on its own or with lamb, chicken, pork or ham. It would drown the delicate flavour of fish.

1 large aubergine; 4 or 5 tablespoons olive oil; 12 tablespoons tomato coulis (or purée); 12 tablespoons yogurt that has been hung up to drip for at least 1½ hours; 1 teaspoon oregano; 1 finely chopped onion; ½ teaspoon salt; 6 tablespoons Parmesan cheese; pepper to taste.

Slice the aubergine into ½-inch rounds and sprinkle them generously with salt. Leave for 20 minutes. Then wash in cold water, drain and pat dry.

Oil a griddle pan (I find I use much less oil if I use this kind of frying pan) and fry the aubergine slices on each side for about five minutes brushing them with oil while the first side is cooking. Combine all the other ingredients, except the Parmesan, in a blender for at least 30 seconds, or beat them together by hand for five minutes.

Grease a gratin dish and line the bottom with a layer of aubergine. Spread half the tomato yogurt mixture over it and cover that with aubergine. Add another layer of sauce. Sprinkle all the Parmesan on the top and bake for 45 minutes at gas mark 5 (375F). Serve hot or cold.

For people who are conscious of the supposedly ill effects of cream, the following cold yogburt soufflé could be the answer.

COLD YOGURT SOUFFLE
(serves six)

½ lb strawberries or raspberries (could be unsweetened frozen ones); 5 eggs; 1 pint yogurt; 2 tablespoons icing sugar; 1 tablespoon caster sugar; 3 teaspoons gelatine (1 packet); 2 tablespoons lemon juice; 1 tablespoon hot water; 1 big pinch cinnamon.

Hang up the yogurt in butter muslin to drip for at least one hour. Purée the fruit by pushing it through a sieve. Add the icing sugar to it.

Separate the eggs. Cream the yolks with the caster sugar until they are very pale and creamy. Add the yogurt. Place in a bowl over boiling water and stir continuously until the custard begins to thicken. This will take quite a long time but the result is worth the trouble. Mix the lemon juice and hot water, and sprinkle the gelatine over it. Put in a warm place to dissolve.

Remove the custard from the heat and stir in the fruit purée and the gelatine. Add the cinnamon. Beat the egg whites until very stiff and thoroughly fold them into the mixture. Turn into a soufflé dish and chill for at least six hours or overnight. Do not serve with cream.

Decorate the top with frosted mint leaves. To do this, you need small tender sprigs of mint. Brush them with egg white and dredge them with caster sugar. Place them on a cake rack in a warm place to dry (like the airing cupboard).

While making yogurt in my Pifco, I have tried all the varieties of milk—fresh, condensed, sterilised and UHT long life. Condensed milk makes thick, creamy yogurt but I can still taste in it the, to me, obnoxious flavour of condensed milk. My best results were from UHT long life, which I can thoroughly recommend.

Ed. note: I have found that yogurt made with tinned evaporated milk is marvellously rich and creamy and certainly my children prefer it that way.

Pifco's yogurt maker can be found in most good kitchen or electrical departments, price £15.95.

America takes on Europe

GOLF

BEN WRIGHT

PUT NINE GOOD Americans into a European field and you can confidently expect one or more of them to dominate. So it is a Walton Heath, where, in the third European Open, Lon Hinkle is 10 under par, after 28 holes. Tom Kite is 8 under, after completing the two rounds, and the nearest home challenger comes in the rather unlikely shape of Dennis Durnian, a 31year-old professional from Bolton.

The Lancastrian, who was on the verge of giving up the professional tour at the end of last year, put together two of the best rounds of his life, to be 7 under par—a position which, even if he did not improve on it in the last two rounds, would earn him the biggest cheque of his life.

The leader board, as befits such a cosmopolitan title as European Open, had a varied look about it, with Australian Bruce Devlin in a 6 under par; Gary Cullen, raised in Rhodesia, at 5 under; Bernard Gallacher and Sandy Lyle from Scotland at 4 under; together with Irishman David Jones, Englishman Carl Mason, and American Len Thompson, all on the same 4 under mark, 142.

Out on the course, with one hole to play, Mark James, recent winner of the Carrolls Irish Open, was six under par, and looking to join the leaders.

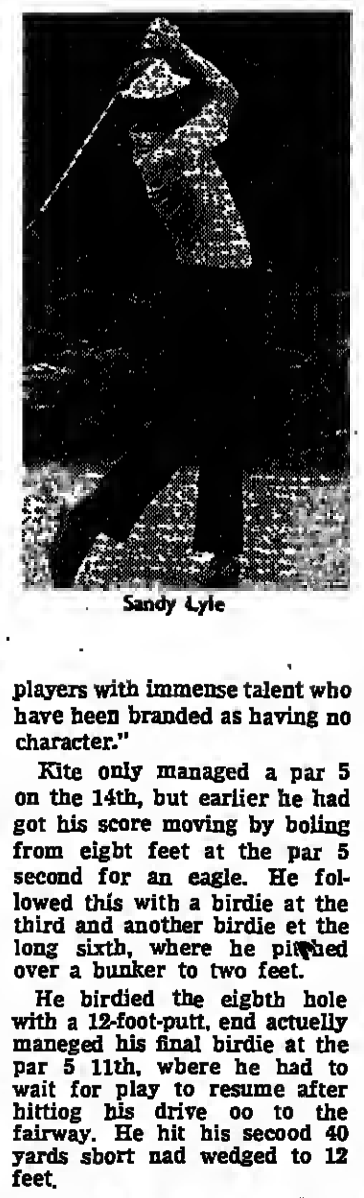
At the other end of the scale, the tournament has seen the last of such distinguished figures as Nick Faldo, whose second round 78 gave him a total of 150; and Tony Jacklin and Keith Fergus, who both took 79 for 153. In addition, Peter Townsend, level par after the first round, had to retire, still suffering from the effects of hepatitis. He is to fly to Germany to see a specialist there, and may not play again this season.

Perhaps the most surprising aspect of the day was that the allegedly fair weather players from America survived both thunder, lightning and occasional torrential rain. Play was, in fact, stopped for 20 minutes, whilst lightning forked all round the course, but fortunately Walton Heath is well-equipped to absorb vast quantities of water, and it never seemed likely that there would be a prolonged stoppage.

For Tom Kite, the delay was a test of his nerve. He had gone out in a 5 under par 31 to be, at that point, 7 under. He knew that he had the most testing holes, with yesterday's wind, to follow, and he steeled himself to concentrate and aim for level par over that stretch. He made it, despite an innovation about which he was actually enthusiastic.

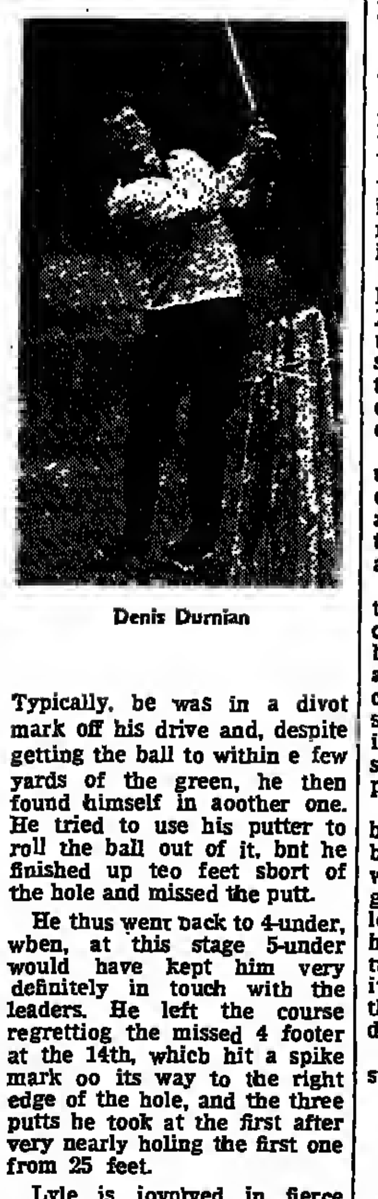
Walking down the 14th fairway, he allowed himself to be interviewed by ITV, and, so far from upsetting him, he considered it to be a splendid idea.

Kite is on the players' Board in America and knows from first hand the problems of sustaining television and public interest in golf in America. He said after the round: "Interviews of this kind can only do the game good. The public get to see us as near first-hand as possible, and can form their own judgments. We need to do all we can to sell to the public some of the young players with immense talent who have been branded as having no character."



Sandy Lyle

Tom Kite



Denis Durnian

Kite only managed a par 5 on the 14th, but earlier he had got his score moving by holing from eight feet at the par 5 second for an eagle. He followed this with a birdie at the third and another birdie at the long sixth, where he pitched over a bunker to two feet.

He birdied the eighth hole with a 12-foot-putt, and actually managed his final birdie at the par 5 11th, where he had to wait for play to resume after hitting his drive on to the fairway. He hit his second 40 yards short and wedged to 12 feet.

Amongst those in pursuit of Hinkle is that man of many parts, Bruce Devlin. Devlin nowadays is really only an occasional golfer, having played 11 tournaments only this year. He spends the rest of his time either building homes, running a shirt company, designing golf courses, or acting as a television commentator. He also has interests in six brood mares in Australia—and is known as something of a gourmet to boot. After his first round, he spent the evening with former jockey Geoff Lewis, and the meal kicked off with caviare and was followed by two barbecued roast ducks.

It seemed to suit Devlin. In the course of his round, he single-putted six of the last eight holes and performed a minor miracle at the 18th. He hit his drive into the rough, and could only bunker his second after hitting a 5-iron fet. He was then left with a 40 yards bunker shot, which, even for the professionals, is probably the toughest shot in golf. Devlin recovered to five feet and holed the putt for what was, at the time, the leading score.

The defending champion, Sandy Lyle, has had two rounds during which, every time he got into position to really attack the leaders, he did something far removed from his plans. The classic example was, after birdying his 35th hole by hitting an 8-iron to 12 feet, he then dropped a shot at the last.

Typically, he was in a divot mark off his drive and, despite getting the ball to within a few yards of the green, he then found himself in another one. He tried to use his putter to roll the ball out of it, but he finished up ten feet short of the hole and missed the putt.

He thus went back to 4-under, when, at this stage 5-under would have kept him very definitely in touch with the leaders. He left the course regretting the missed 4 footer at the 14th, which hit a spike mark on its way to the right edge of the hole, and the three putts he took at the first after very nearly holing the first one from 25 feet.

Lyle is involved in fierce competition with Severiano Ballesteros and Greg Norman to lead the European Money List. Norman is currently £1,300 in front, but he is also, at this moment 3 strokes behind Lyle. Ballesteros is 2 behind and for the dedicated European golf-watcher there will be almost as much interest in this subsidiary battle as there will be in the overall war.

On trial for a place in Europe

GARDENING

ARTHUR HELLYER

EVERY YEAR a considerable number of trials of flowers grown from seed take place in many parts of Europe. They are organised in several quite different ways to serve quite different purposes from the private evaluation by seed marketing firms of the best varieties to include in their catalogues to large scale trials of varieties within a single genus to place the best in order of merit irrespective of their availability to the general public.

A few of the big commercial trials, such as that held annually by Unwins of Histon near Cambridge and Dobies at Llangollen, are open to the public and so are the single genus trials grown by the Royal Horticultural Society in its garden at Wisley, near Ripley, Surrey. This year these latter have included antirrhinum, now past their peak though some varieties are promising to give a good second display in September, verbenas, which are still spectacular, and zonal pelargoniums which, when grown from seed, are always a little slow to start flowering the first year unless treated with one of the flower promoting chemicals, such as Cyclosel, which the R.H.S. rules do not permit. As a result they are only now coming to their peak display and should continue to be good until frost brings them to a halt.

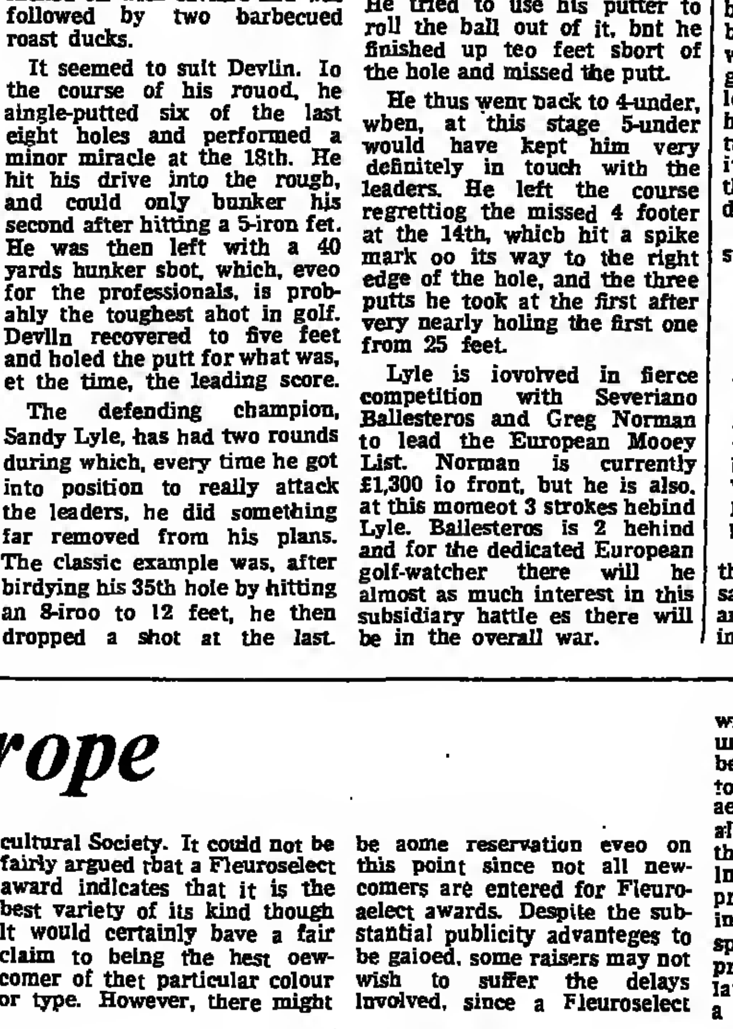
Side by side with these trials there is another series of a totally different character organised by the flower seed breeders and distributors of Europe in an attempt both to discover and to publicise effectively the best new flower seed varieties for Europe. Since these differ markedly in scope and purpose from any of the other trials and yet are quite often grown side by side with ordinary commercial trials which the public can see, some further description of them may be of interest.

The organisation which directs these trials is known as Fleuroselect and is modelled to a considerable extent on the All America Selections which perform a similar function for the great North American flower seed market. It was formed in 1970 and has trial grounds in almost every country in Western Europe from Finland in the north to Italy in the south with several scattered over Britain. These trials are all situated in the establishments of member firms and each is judged by one person chosen for his or her knowledge both of the breeding and the marketing of flower seed varieties.

Each entry is grown side by side with one or more other varieties chosen for comparison as being the nearest existing varieties to the one being evaluated. Points are given for each new variety at each trial centre and the awards are based on the average of all these points, though the highest and lowest are eliminated apparently in an attempt to avoid freak assessments which one would have thought, under these circumstances, ought not to be necessary.

Another peculiarity of the Fleuroselect Trials is that they are only open to varieties which have not been distributed. One fine novelty which actually scored sufficient points to be given an award had this withdrawn when it was discovered that, through some oversight or misunderstanding, a small quantity of seed had been sold before the trial was complete.

So Fleuroselect trials are much less comprehensive than either the commercial trials or those held by the Royal Horticultural Society. It could not be fairly argued that a Fleuroselect award indicates that it is the best variety of its kind though it would certainly have a fair claim to being the best newcomer of that particular colour or type. However, there might be some reservation even on this point since not all newcomers are entered for Fleuroselect awards. Despite the substantial publicity advantages to be gained, some raisers may not wish to suffer the delays involved, since a Fleuroselect winner cannot be introduced until a year after the award has been made, this being necessary to enable sufficient stocks of seeds to be grown. Occasionally, if there are difficulties with the seed harvest, delays in introduction can be even more prolonged. Advances in breeding are now so rapid in some spheres that breeders may prefer to get their novelties launched without the benefit of a Fleuroselect award.



Verbena

Having said all this it remains true that the Fleuroselect winners over the last nine years are a pretty impressive lot. They are Pelargonium Sprinter and Red Express, French marigolds Showboat Yellow, Honeycomb, Orange Boy and Queen Bee, Lavateras Tanagra, Silver Cup and Mont Blanc, Chinese pinks Snowflake, Crimson Charm and Scarlet Charm, Carnation Crimson Knight, Antirrhinum Orange Pixie, Dahlia Redskin, Nicotiana Crimson Rock, Aster Pinocchio, Zinnias Pink Ruffles, Cherry Ruffles, Yellow Ruffles and Pacific Yellow, Impatiens Miss Swiss, Helichrysum Hot Bikini, Calendula Fiesta Gitana, Alyssum Wonderland, Salvia farinacea Queen Victoria, Coreopsis Sunray and Verbena Tropic.

It is a surprise to find the Nikki nicotianas missing for they are outstandingly good introductions but maybe they were never entered. What is more inexplicable is that of these 38 selected plants 37 have received exactly the same award and that the lowest Fleuroselect is able to give, its bronze medal. Only one, Lavatera Silver Cup, has the middle award of a silver medal and not a single gold medal has yet been allocated. It seems impossible that all 37 bronze medal winners are of equal merit especially as during the past decade the RHS trials have produced awards to annuals and other seed raised plants at all levels from the lowest Commended, through Highly Commended and Award of Merit to the highest, rarely bestowed first-class certificate.

To an outsider it would seem that there must be something wrong with a judging system which produces such uniform and rather uninstructive results. To me it would appear that Coreopsis Sunray and Salvia farinacea Queen Victoria are far more significant advances than, say, any of the marigolds with the possible exception of Honeycomb which did set a fashion for a particular type of very neatly formed flower, and that Lavatera Silver Cup is probably the best new hardy annual we have seen for many years.

Perhaps it is the very wide climatic range of the trial grounds that accounts for this unexpected levelling down. If so it might be useful to have some indication when a particular novelty scores consistently high marks in a climatically similar group of trials, say under the colder, longer day conditions of the north or the warmer, shorter day conditions of the south.

HOW TO SPEND IT by Lucia van der Post

City slickers

IT SEEMS exceedingly ironic timing that just as the headlines on unemployment and the recession grow daily more depressing, so more and more shops are *aiming to sell* yet more expensive clothes to women. The answer, of course, is that although women are not exempt from the effects of dwindling pay packets and falling profits, there is one section of the market that has, until now, been grossly overlooked—and that is clothes for the working woman.

Traditionally, fashion in England in the upper price brackets has flourished in the field of evening wear—clothes for the woman who spent much of her day in domestic pursuits and came into her own at night when her husband came home and took her out. Nowadays the numbers of women who go on working after marriage, who perhaps stop for a few years to have their children and then go back again, is increasing all the time. Clothes for this sort of woman is a vastly expanding market.

There are now women who earn the kind of salaries that enable them to buy quite

FASHION

reasonable wardrobes for themselves, who are just as busy, if not more so, than any man, and want the kind of service that he has been used to getting. There are women now for whom the daytime wardrobe is infinitely more important than the evening one —who want to be able to look reasonably confident and organised during the day (even if in reality their mind is just as much on who is collecting their small child from school that day and what they will eat for dinner that night) and yet go on to friends or the theatre without feeling out of place.

Though it still isn't always easy to find the sort of clothes that fill this role—and it certainly won't be cheap—there are more and more companies beginning to cater for their needs.

Just opened this week, as almost everybody must have noticed, is the Calvin Klein shop, at 24 South Molton Street, London, W1, selling only, as the name implies, clothes by the great American designer of that name. I have a friend who invested in one Calvin Klein jacket six years ago and she goes on wearing it and it still looks wonderful. Nothing he does is cheap and everything he does seems to combine being timeless and up-to-the-minute, which is what almost every woman, let alone the working woman, wants.

Klein's clothes are the sort that you can put on and feel you look a million dollars but because there is nothing startling or exaggerated about them you will be able to keep them for years—and at his prices, you will need to. His jackets start at £135, while wool skirts are about £70.

In the meantime, Austin Reed has been quietly testing out its new "Options" department since the *middle of August*. Traditionally a menswear store Austin Reed began to feel that it had plenty to offer the new working woman, too. To begin with the company had plenty of skills among its tailors and shirtmakers that could be happily adapted to making equally fine but softer tailoring for women. So there are some classic suits for those whose taste runs to it —some fine grey flannel, a lovely brown herringbone tweed—and the whole look has been skilfully put together by Gill Hewitt, the fashion buyer, so that nothing looks too sharp or too masculine.

There are fluid suits and dresses by Dora Reisser, Paul Costelloe's gentle tweeds, some soft suits by Kay Cosserat and the travelling woman executive will find some wonderful buys—a marvellous black silk evening coat which you could pack and take anywhere as well as some lovely padded and sequin-strewn black silk evening jackets.

You could, if you take to the style, buy an entire wardrobe at "Options." There are shirts (I particularly liked the silk ones cut like men's collarless shirts) and soft blouses and a charming collection of knitwear as well as shoes, handbags and other accessories to go with almost everything. Look out, too, for a superb collection of raincoats — some lined, some plain—which I have found to be a much more practical cover-up when travelling than a wool coat, even in winter.

"Options" hopes to do more than just sell clothes—it wants to offer a complete service to the busy woman. The staff will advise, make an advance selection on request, alterations will be done fast and wardrobes planned. Prices seem to me what you would expect — not outrageously high but the sort you would expect to have to pay for good quality material, workmanship and service.

For the moment *"Options" is* only at Austin Reed in Regent Street, London W1 but for women all round the country who want clothes of this sort a name to look out for is Planet. Planet is a subsidiary of the Windsmoor group and though it is only just over a year old, it has already doubled the number of shops-within-shops selling its wares.

Judy French, an energetic blonde, is the woman behind it and she designs the sort of clothes she needs and likes to wear herself. *She thinks* the hardworking, busy woman wants clothes that are not cheap, that are well-made and fashionable without being so startling that she feels out of place. She needs skirts that are comfortable and won't crease (all skirt fabrics are tested on real users before the fabric is even ordered) and she wants clothes that will always look right and never date.

Those who like the Planet look will find that they can build up an *entire wardrobe* round a colour group—choosing jackets, skirts, trousers, shirts, all of which will work together.

Many Debenham stores have a Planet shop, as do shops like Dingles of Plymouth and Bournemouth, Frasers of Glasgow and Selfridges in London.

Burberrys has for a long time been one of the traditional hunting grounds for beautifully-made, classic clothes that could always be relied upon to look good. There used to be two main drawbacks for some of us—one was the high prices and the other was that though the clothes were of exquisite quality they were often, dare I say it, on the dull side. However, now that the prices of everything are so high Burberrys' are only a little more but are designed to outlast trendier rivals and so may well prove to be the better buy. As to the dullness—fashions have changed and at the same time Burberrys has produced some softer versions of its classic styles. Photographed above is an eminently useful and pretty suit in blue and brown flecked tweed. The jacket is *the new shorter length while the skirt* is comfortable to wear, having large pleats back and front. £222 from Burberrys, 18 The Haymarket, London SW1 and 165 Regent Street, London W1.

Centre picture Trevor Humphries

Above left: From the Planet collection is this skirt and jacket which looks cool and collected for the office but doesn't look too severe when partnered with either a soft blouse or a lacy sweater, as in *this photograph*. The skirt is made from 100 per cent pure wool, is lined and has inverted pleats both at the back and the front. In rose, slate, heather or sage, sizes 8 to 16, the skirt is £26.95. The matching jacket is made from the same fabric in the same colours and sizes and costs £49.95. The Planet collection *is sold through Planet shops*-within-shops—there are now 51 such shops and the number will be increasing shortly to 63—in shops like the Debenham group, Selfridges, Frasers of Glasgow, Dingles of Bournemouth and Plymouth.

Above centre: one of the designers who Gill Hewitt has chosen to feature in the "Options" Department at Austin Reed is Paul Costelloe. For this winter he has a marvellously useful (and attractive) tweed skirt and matching loosely-belted coat. The tweed is in grey, wine and blue and to go with it Paul Costelloe offers lots of alternatives—here the model is wearing a soft white Viyella shirt (£17.95), maroon sleeveless sweater (£42) and maroon cravat (£7.95). Both coat and skirt are of 100 per cent wool. The skirt is available in sizes 8 to 14 and is £52, while the coat is £150.

Above right: Three-quarter length coats, are exceedingly useful for those women who drive to work, and the Planet collection includes a selection of them in different colours, including rose, slate, heather, sage and black. In polyester/wool mix, the jacket is £59.95, sizes 8 to 14. Worn under it is a cowl-necked lambswool sweaterdress in in three colourways—rose with a blue and green stripe, heather with a green and rose stripe or slate blue with a heather and green stripe. From Planet shops-within-shops.

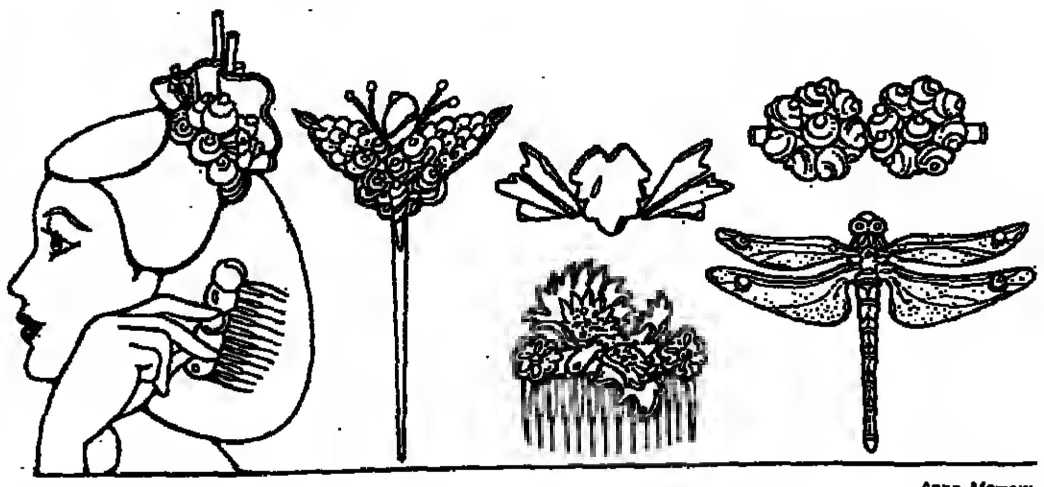
Wellie special

MOST OF us have at some time or another bought high-fashion boots and discovered the miserable way that not only are they not waterproof but that they also quickly lose that pristine glossy look when exposed to much mud or rain. The cry from the retailers that "of course, the boots weren't designed to keep out wet" has never seemed to me reasonable but it's one they seem to get away with.

This still leaves one with the problem of what to wear when it *rains that isn't* an old-fashioned wellie. Rigon of Italy has produced a whole range of completely waterproof boots which are much more compatible with reasonably smart clothes than the ordinary wellie. Firstly the Rigon range has heels—there are some *four* different styles on offer and the height of heel varies from 1½ inches to 3 inches. Rigon also offers a good colour selection—black, grey, Bordeaux, dark brown or tobacco. Prices are extremely good, starting at £7.99 and going up to £11.99.

Many independent footwear retailers stock the range but in addition *they are now* going into most branches of Dolcis and Saxone.

Getting to grips with your hair



Anne Morrow

ALMOST NEVER has there been such incentive to grow one's hair. The shops are full of enchanting hair ornaments that seem to cry out for thick, tumbling locks. However, even those of us whose hair is less than our crowoing glory will find that these ornaments are so decorative that they will want to find some way of using them.

The selection sketched here has come from two London shops only but both shops have offered to post any of them for an extra £1 per comb or slide.

Both shops have a large selection so even if they no longer have a specific slide there will be *lots* to choose from.

L'Artisan Parfumeur is at 194-196 Walton Street, London, SW3, and Molton Brown is at 58 South Molton Street, W1.

From left to right: the top comb is an exotic combination of shells and ribbon, primarily in yellow, £11 from L'Artisan Parfumeur. The comb being held in the band is a bright, multi-coloured button comb. £5.25 from Molton Brown.

Next is another large exotic ornament from L'Artisan Parfumeur. Shaped like a butterfly, it is made from pearly pink shells and has a tortoiseshell stick—perfect for chignons. £12.

The small pink bow is one of a huge selection of bow slides at Molton Brown and costs £2.50. Below it is a very elaborate combination of translucent blue plastic and (fake) diamonds. £12.50 from L'Artisan Parfumeur.

Finally, the two clusters of pastel shells form a slide, £3 from Molton Brown. Below it is an iridescent dragonfly, with a gold body and wings gently coloured in glistening pink, pale green and gold, tipped with pearls. £8 from L'Artisan Parfumeur.

Postscript

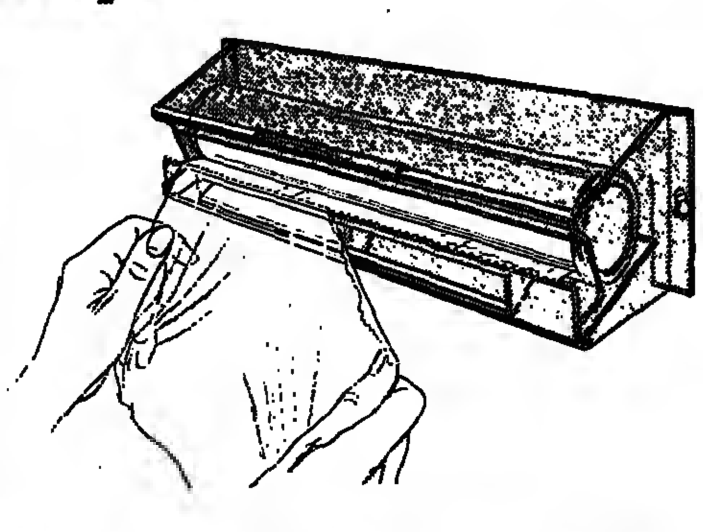
AS WE at last seem to be having what most people might recognise as a summer and as the taste for American-style crushed ice seems to be growing apace, it is worth knowing of a simple little gadget which is both ice-bucket and ice-crusher. Made of smoked brown acrylic, the ice is put into the top section and at the turn of the handle falls into the ice-bucket section below. It needs no batteries or electricity and is small and light both to store and to carry about.

The crushed ice can be used, obviously, not only for cooling drinks but also to keep things like melons cool if eating out of doors.

The ice-crusher shown below is available only by post, for £4.99 plus £1 to cover postage and packing from Postmark, Postmark House, Cross Lane, London N8.

●

It is surprising how many modern developments one appeared to live quite happily without until they arrived on the market at which point they quickly seem to become indispensable — certainly cling-film seems to have become an immutable part of the kitchen scene in my home and how to dispense it without the film clinging to itself before it is arranged to cling around the container is something of a problem. Woolworth has been putting its mind to the very same problem and has come up with what it calls a "Dispensoroll" which is not the most beautiful piece of kitchen equipment I have come across but is certainly useful — and cheap. It is made of translucent brown plastic, can be mounted on a wall or inside a kitchen unit door (two screws will need to be bought). Like most dispensers it has a cutting edge for ripping off the paper and it can be easily reloaded. For £1.99 from all Woolworth and Woolco branches get the dispenser and 15 metres of film.



●

Most freezer owners stop at some time or other to consider just what it would mean to them if anything went wrong with their freezer—it hasn't happened to me yet but I sometimes have nightmares about what I would do if it did. It isn't just the cost of *all* the food but all the hours of work that would be wasted. Nothing can protect you from the wasted work but a good insurance policy can protect you from the financial loss, so anybody who hasn't yet insured their freezer might like to know about the Freezerguard Insurance Service.

Basically four different insurance plans are offered which cover a variety of risks. For instance, for £3.50 annually the scheme offers to cover risks of loss, damage or deterioration of food from any cause including fuses, unintentional disconnection, explosion, fire and accidental failure of the electricity supply excluding deliberate withdrawal by the Electricity Board. Each of the other three schemes becomes progressively more expensive but offers of course, more cover. The topmost scheme costs £8 a year and covers in addition to all the other risks, sudden breakdown repair costs up to £250. The insurance is available from Ernest Linsdell, 1-19, New Oxford Street, London, WC1.

ARTS

Les Saxon, Celena Duncan, Oscar James, Darek Griffiths

The Wiz

BY B. A. YOUNG

The Wiz is not The Wizard of Oz, and people who go to the Crucible Theatre in Sheffield expecting to relive the emotions they felt wheo they saw Judy Garland leaning on a haystack and singiog "Over the rainbow" will have to adjust their emotional sets. The plot is similar; Dorothy is whisked from Kansas into the land of Oz by a whirlwiod, and there she meets a Scarecrow who wants brains, a Tin Man who wants a heart, and a Lion who wants guts. All these, with Dorothy's return-ticket, must be obtaioed from The Wiz.

The details are different. The new dialogue by William H. Brown isn't aimed at young moviegoers, but at adult black audiences. Perhaps I should have mentioned earlier that the whole company is black. There are knowing jokes that stem from current affairs; and the music, by Charlie Smalls, is pop music of our time, though stopping mercifully short of reggae or punk rock.

The Wiz, who is given a funny, very camp performance by Peter Straker, lives in Emerald City, which is a send-up of New York. He proves to be a fraud, but at least he can do tricks enough to provide the Scarecrow with a packet of All-Brain, the Tin Man with a velvet heart, and all four of his petitioners with the confidence they need when he sings a pretty song, "Believe in yourself"—sung more earnestly after he has flown away in his helicopter (leaving Dorothy behiod) by Pearly Cates, who follows it with an eveo more earnest number, "A rested body is a rested mind," and so clinches the moral attitude of the show.

Fantastic plot and sophisticated talk (not, alas, continued in the lyrics) produce something at the intellectual level of a Christmas pantomime; and as Peter James's spectacular production use lots of marvellous machinery, there is much to enjoy. Celena Duncan, in a virginal white frock, sings Dorothy's songs attractively, through a microphone of course; her last song, "Home" induced a little party to give her a standing ovation half-way through.

Most of the parts are for comedy, aod the central trio are strongly cast—Derek Griffiths as the Scarecrow, Oscar James as the Lion, Les Saxon as the Tin Man. You couldn't ask for better than that. Of their adversaries, Evillene, the Wicket Witch of the West, is very amusingly played by Earlene Bradley, who also turns up here and there in the little groups of dancers used to represent various natural and unnatural figurea in the story—the tornado, the yellow brick road, the Mice Squad, crows, munchkins, winkies and the rest. The dancing is vigorous, but Gillian Gregorys choreography didn't quite come to life as I hoped it would.

Perhapa the shape of the stage works against it. The Crucible's usual pentagon is pierced by three biggish boles for access to the good eleven-piece band underneath (musical director, David Firman). The decorative machinery is the work of set-designer Roger Glossop; be and costume-designer Deirdre Clancy may well be pleased with the look of the production.

New Alan Bennett play to open at the Vaudeville

Enjoy, a new play by Alan Bennett, starring Joan Plowright and Colin Blakely, will open at the Vaudeville Theatre on October 15. It will be directed by Ronald Eyre and designed by Douglas Heap, with lighting by Nick Chelton and costumes by Deirdre Clancy. The producer is Michael Codron.

Enjoy will play at Richmond Theatre from September 29 for two weks before coming to the West End.

Pitlochry—a theatre without gods

BY ANTHONY CURTIS

"There are too many gods in the British theatre," the French playwright René de Obaldia said to the actor Andrew Melville who takes a leading role in one of his plays at this season's Pitolchry Festival Theatre. "It is so hard to be god," be added. Obaldia was in Pitlochry for *Monsieur Klebs and Rozalie*, a "comédie futuriste" which was performed in Paris five years ago, and which in the English version by Barbara Wright is one of the most interesting productions of the current Pitlochry season, lasting until October 4. The director is a Yugoalav. Vlado Habunek, who had previously directed the play in Zagreb, aod who, according to Mr. Melville, shares with the author a humility in theatrical matters bred of many years of work in a theatre without gods.

Mr. Melville was being interviewed in a programme last Thursday on Radio 4 UK in the *Enterprise* series "about the people who are winning against the odds." It told the story of this theatre, founded by John Stewart in 1951, and the tenacious struggle since Stewart's death in 1957, sustained by its director Kenneth Ireland to ensure its survival. I hope to report on the new theatre fully when it opens in May next year. In the meantime during my visit to Pitlochry last week I was taken on a tour of the half-finished building by Dr. Ireland, and was astonished by the amount of progress that has been made since last year. The roof is on, in gleaming alumioium, and even some of the glass panelling through which the visitor, sipping bis drink, while waiting to enter the auditorium, may observe the firshermen casting their lines into Loch Faskally.

The artistic policy will remain whst it has always been at Pitlochry, which Dr. Ireland summarises, somewhst misleadingly, as "being all things to all men." In practice this means keeping the locals happy with something distinctively Scottish. (I do not see how they can possibly open at the new address without a Bridie revival in the hill.) And keeping the visitors happy with a surefire comedy or two and thriller. And finally keeping the critics and pseuds happy with something more esoteric.

Clearly *Mr. Klebs* comes at the esoteric end of the spectrum but it is nonetheless an entertaining play. Only the stultifying caution of theatre managements further south can explain why the work of Obaldia is not better known in England. To be sure with a writer so fluent in purely verbal as well as theatrical inventiveness there is a more than usually difficult problem of translation, but Barbara Wright showed that this is not insoluble. Otherwise like most of Obaldia the play is sparing in its requirements. All you need is a set thet looks like an experimeotal laboratory disguised as a conservatory, charmingly provided here by the guest designer, Dinka Jericevic also from Zagreb, and two strong character-actors.

Mr. Klebs is a kind of god, a god of scientific rationality and the play is indeed about the difficulty of being such a god. Every Government in the world wants to acquire his services with a destructive intention. He has gooe to ground to escape from them living in obscurity pretending to be a nursery-gardener. Andrew Melville plays bim with a David Kossoff voice and a compulsive locquacity both of which seem dead right. He has so much to express but no-one with whom be can converse. He has therefore invented a computer—a multi-coloured contraption of knobs, cassettes, and display lights in this production—into which he has fed all his original thought as well as storing most of the major literature, scientific knowledge, mathematical and philosophical speculation known to mankind. He calls the machine Rozalie and gradually it acquires a miod and body of its own. Klebs pulls a lever: the head, the torso of weird girl emerges. Rozalie, played by Kate Gielgud (yes, she is: his great-niece) answers Klebs' questions with chronometric precision, until after a while she uses the thoughs he has stored in her to outwit him and to bargain for her liberation. Miss Gielgud overlays her femininity with a brittle metallic computer-manner until the woman in her breaks free and she emerges full frontally, like Minerva from the head of Zeus, out of the machine.

The play is as much a satire on modes of thought as it is of scientific enslavement. When Rozalie wants to quarrel with her lord and master like any other married woman, she is able to do so by quoting chunks of Striodberg at him verbatim. There has also to be some sort of external plot, and for this purpose Obaldia introduces the stock figures of the nosey landlady (Zeph Gladstone) and the Russian spy (Allen Cullen) but they are mere incidentals. It is the question of Rozalie's possible antonomy from her inventor that remains paramount. Can she exists without him. Miss Gielgud demonstrates conclusively in the last moments of an enjoyable evening that she cannot.

Anouilh's rosy comedy of the 1930s *Dinner With The Family*, translated by Edward Owen Marsh, is not nearly such a rare bird on these shores as something by Obaldia, but it was good to catch it on the wing bere in a production of delicate strength by the resident director Brian Shelton. The Anouilh proved to be the most popular of all the plays in this season's repretory, a fact which seemed to baffle Dr. Ireland, but which I for one find quite explicable. For all its self-conscious Pirandellism and cheap cynicism, it remains a brilliantly theatrical play with splendid acting opportunities. It is a play constructed around doubles. The hero Georges, a softie (Edward Newborn) is doubled by his vengeful sponging friend (Nicholas Coppin), a toughie, the innocent young girl be loves (Cathy Finlay) is doubled by his friend's bitch of a wife (Kate Gielgud) and his own. *His* real parents (Moira Lamb and Bill McCabe) are doubled by his substitute parents, a pair of ham actors (Dennis Chinnery and Zeph Gladstone) whom he hires to impress the girl.

The conflicting areas of one's life cannot, as we all eventually learn to our cost, be kept in separate compartments, and Anouilh has fun proving the point. Here again the set (by Colin Winslow), a decaying mansion near Paris and a linen room with a tulip telephone provides a glittering frame for the fantasy.

It seemed strange that a company that had done so well by Anouilh and Obaldia should have made such a feeble impression with the homebred perennial, *The Importance of Being Earnest*, also revived this season, and directed by Mr. Shelton, but such sadly was the case. Nothing wrong with Bernard Culshaw's designs or Andrew Melville's long-suffering butler Lane, but as soon as I heard Nicholas Coppin and Edward Newborn sounding like Peter Brough and Archie as John Worthing and Algernon Moncrieff I thought we are never going to recover from this. Nor did we, even though the girls were marginally closer to the real thing.

Zeph Gladstone and Kate Gielgud in "Filumena"

I went, therefore, to *Filumena* on the following evening with a beavy heart. If they cannot do Wilde, I said to myself, what on earth are they going to make of de Filippo? But this, strangely and happily, with many of the same performers turned out to be another triumph. The basic requirement to get inside the skin of Neapolitan Italian bullies and whores in the period just after the second world war seemed to effect some wonderfully remedial change in the entire company led by Dennis Chinnery as Domenico and Zeph Gladstone as Filumena. As two of the three sons whom Filumena produces out of the air to bring her blustering protector finally to heel Mr. Newborn and Mr. Coppin fielded the laughs they had let slip through their bands in the Albany.

Dr. Ireland usually has a new play to present during the season, preferably one by a Scottish playwright. Some of the possibles are tried out in workshop performances on Saturday mornings followed by discussion in which the audience takes part. David Hutchinson had a one-acter tried out three years ago and now his full-length play *Deadline* was given its world première here in July in this season's repertory. The action shuttles to and fro between the offices of a local newspaper in the South of Scotland and the adjoining flat belonging to the editor (Bill McCabe) who is on the eve of retirement.

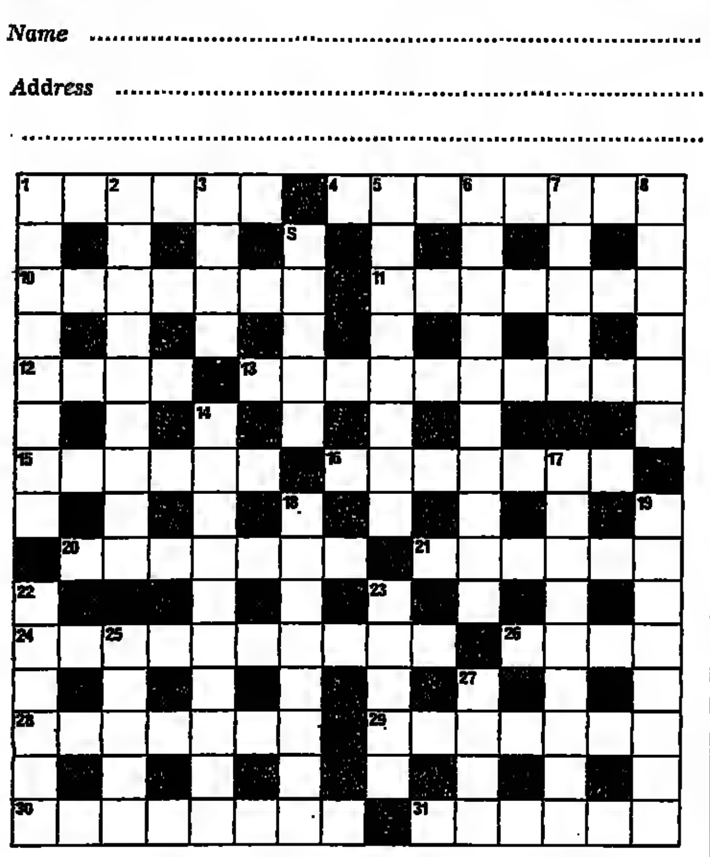
Mr. Hutchinson has something of a journalist's nose for social questions of general concern, and be weaves several of these together ingeniously in a plot that never flags. Just when the editor ought to be bowing bimself quietly out of the act with his farewell party and getting his gold watch, Willie finds a sizzling hot-potato on his plate in the form of a corruption scandal about to break in the paper and to explode at the family level in his own backyard. Moira Lamb is the unsuspecting wife whose confessions, though not for publication, force Willie's marriage to undergo what in the trade we call a complete re-makeup. A promising, well-shaped work.

F.T. CROSSWORD PUZZLE No. 4,367

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



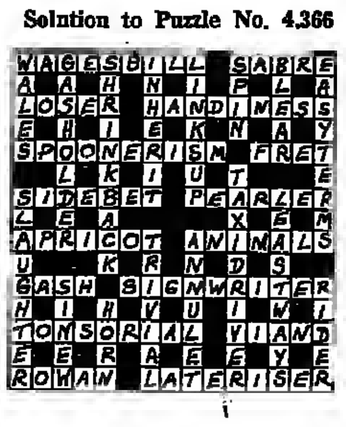
ACROSS

1 Somethiog that gets in your hair at a fight (6)
4 Extend everyone in the party (5, 3)
10 Nightmare in the young with us (7)
11 Cocktail for a passenger (7)
12 Decamp with this assistant (4)
13 Pointless remarks? (5, 5)
15 Layer returns in a living creature (6)
16 Sounds unfeeling to a Cockney, but is innocent (7)
20 Uprisings current among engineers (7)
21 "I pray Thee, make my —— read" (Marquis) (6)
24 Super plan—a note of interrogation indicates objection (3, 3, 4)
26 Oriental trifle returns to the Island (4)
28 Keep fit exercise? It's up to Fleet Street (5, 2)
29 Disparaged in summary (3, 4)
30 Cash unsuitable for Ethelred (3, 5)
31 Here is one among the other messeogers (6)

DOWN

1 Oriental Lord's can provide the wrong 'un (8)
2 Mixed vegetables with spice made about one (9)
3 Pulpit shows doctor between two levels (4)
5 A girl has no right in Denmark (8)
6 Beer with fish? That's absolute oonsense (10)
7 The award that makes one wild, we hear (5)
8 Mavis has a throat infection (6)
9 Part of Holy Writ old Bob found in hand (5)
14 The officer has children—that's the vital point (5, 5)
17 Consider sbape—of race-card? (5, 4)
18 Reduced to the ranks—could be a teaser (8)
19 After this month workers have their moments (8)
22 Leave off a hat in the street (4, 2)
23 Irish town short of Eoglish capital (5)
25 Foreign pupil does not quite make the team (5)
27 "Stands ready to smite ——, and smite no more" (Milton) (4)

Solution to Puzzle No. 4,366



TV/Radio

BBC 1

† Indicates programme in black and white

9.15 am Battle Of The Planets. 9.35 The Flashing Blade. 10.00 Bugs Bunny.
10.15 Crandstand: Cricket (10.20, 1.25, 2.20) The Gillette Cup Fioal: Middlesex v Surrey; 12.45 pm Football Focus; Burghley Horse Trials (1.15, 2.20, 3.20, 4.15); Racing from Haydock (2.05, 3.05, 3.35); Athletics (3.20, 3.55, 4.30) The Nationwide Building Society AAA Ceotenary Championships; 3.50 Half-time Football Scores; 4.40 Fioal Score.
5.15 The Dukes Of Hazzard.
6.05 News.
6.15 Sport/Regional News.
6.20 Dr. Who.
6.40 Larry Grayson's Generatioo Game.
7.35 Juliet Bravo.
8.25 "The Night The Bridge Fell Down," part 1.
10.00 News and Sport.
10.15 "The Night The Bridge Fell Down," part 2.

All Regions as BBC-1 except as follows:—

BBC Cymru/Wales—6.15-6.20 pm Sports Newa Wales. 11.45 News and Weather for Wales.

Scotland—4.55-5.15 pm Scoreboard. 6.15-6.20 Scoreboard. 11.45 News and Weather for Scotland.

Northern Ireland—5.00-5.15 pm Scoreboard. 6.15-6.20 Northern Ireland News; Sport. 11.45 Newa and Weather for Northern Ireland.

England—6.15-6.20 pm (South-West ooly) Saturday Spotlight.

BBC 2

7.40 am-2.45 pm Open University.
†2.45 pm Saturday Cinema: "You're Telling Me," starring W. C. Fields.
3.50 Cricket: Cillette Cup Final.
7.30 News and Sport.
7.50 Nine Lives.
9.30 The Hoog Kong Beat.
10.00 Four More Years.
11.00 Cricket: Gillette Cup Final highlights.
11.35 News on 2.
†11.45 Midnight Movie: "The Stranger," starring Orson Welles.

LONDON

8.35 am Sesame Street. 9.35 BJ and the Bear. 10.30 Tiswas. 12.30 pm World of Sport: 12.35 On the Ball; 1.00 International Sports Special (Part 1) Cycling—World Championships from France; 1.15 News; 1.20 The ITV Six—1.30, 2.00 and 2.30 from Kempton; 1.45, 2.15 and 2.45 from Thirsk; 2.55 International Sports Special (Part 2) Speedway—World Individual Final from Cothenburg, Sweden, plus Colf—Third European Open Championship from Walton Heath; 3.50 Half-time Soccer Round-up; 4.00 Inernatiooal Sports Special—(Part 2 continued) Colf—European Open from Waltoo Heath; 4.50 Results Service.
5.05 News.
5.15 Metal Mickey.
5.45 Buck Rogers In The 25th Century.
6.45 Up For The Cup.
7.30 The James Bood Film: "On Her Majesty's Secret Service," starring George Lazenby and Diana Rigg.
10.00 News.
10.15 The Big Match preseoted by Brian Moore with Jim Roseothal.
11.30 Celebrity Concert: Pat Boone.
12.30 am Close, with Carth Hewitt.

All IBA Regions as London, except at the followiog times:—

ANGLIA

8.25 am The Beachcombers. 0.50 Rocket Robin Hood. 10.10 Fanglace. 10.15 pm Match of the Week presented by Steve Rider with match commentary and analysis from Gerry Harrison. 11.15 Paris. 12.10 am The Late Debate.

ATV

8.10 am Play Squash Jonah's Way. 0.35 Home Produced. 10.00 Bailey's Bird. 10.15 pm Star Soccer: Gary Newbon introduces highlights of three top matches. 11.30 Genesis in Concert. 12.15 am The Late Movie: "The Vampire Lovers," starring Peter Cushing and Ingrid Pitt.

BORDER

9.10 am Play Squash Jonah's Way. 9.30 Home Produced. 10.00 Call It Macaroni. 10.16 pm Scotsport. 11.25 Paris.

CHANNEL

5.14 pm Puffin's Pla(i)ce. 11.30 Portrait of the Artist. 11.46 Fireside Theatre.

GRAMPIAN

8.30 am The Lost Islands. 10.00 Supermen. 10.15 pm Scotsport. 11.30 Paris. 12.30 am Reflections.

GRANADA

0.30 am A Big Country. 10.00 Cartoon. 10.05 Batman. 10.18 pm Match Night (guest is Manchester City's Dennis Tueart). 11.30 Barney Miller. †12.00 The Hollywood Thriller: "Seven Met A Lady," starring Bette Davis.

HTV

9.10 am Home Produced. 8.35 Beachcombers. 10.00 The Undersea Adventures of Captain Nemo. 10.05 Batman. 11.30 pm Paris.

HTV Cymru/Wales—As HTV West/HTV General Service except: 5.15-5.45 pm Sron A Sian.

SCOTTISH

5.10 am Cuir Car. 9.40 Charlie's Angels. 10.20 pm Scotsport. 11.35 Late Call. 11.40 Quincy.

SOUTHERN

9.00 am Sesame Street. 10.00 The Beachcombers. 10.27 Regional Weather Forecast. 11.30 pm Southern News. 11.35 Have Girls Will Travel.

TYNE TEES

8.00 am Solo One. 8.30 Saturday Morning Movie: "Moon Zero Two," starring James Olsen and Catherine Von Schell. 11.25 240 Robert. 10.15 pm Shoot! 11.25 The Streets of San Francisco. 12.25 am Three's Company.

ULSTER

8.35 am A Big Country. 10.00 Bailey's Bird. 10.25 The Bubbles. 10.30 Tarzan. 11.20 Cartoon Time. 11.30 Sesame Street. 5.00 pm Sports Results. 5.13 Ulster News. 10.14 Ulster Weather. 11.30 The Odd Couple. 11.55 Bedtime.

WESTWARD

†9.30 am Laurel and Hardy in "Air Business." 0.55 Look And See. 10.00 Spiderman. 10.25 Gus Honeybun's Birthdays. 12.27 pm Westward News. 5.14 Westward News and Scoreline. 11.30 The West Tonight. 11.45 Fireside Theatre. 12.40 am Faith For Life. 12.45 West Country Weather, Shipping Forecast.

YORKSHIRE

8.00 am The Fantastic Four. 9.15 The Beachcombers. 0.40 BJ and the Bear. 10.15 pm The Big Game (Derek Dougan presents highlights of a top local game). 11.30 The Palace Presents.

RADIO 1

(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 7.03 Playground. 8.00 Tony Blackburn with Junior Choice. 10.00 Steve Wright. 1.00 pm Adrian Juste (S). 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00-7.30 Rock On Saturday (S).

RADIO 2

5.00 am News Summary. 5.02 Tom Edwards (S). 8.06 David Jacobs with Star Sounds on record (S). 10.02 Pete Murray's Saturday Show (S). 1.04 pm Roy Castle in "Castle's on the Air." 1.30 Sport on 2: Football Special (1.30, 2.00, 2.45, 3.15, 3.50, 4.42); Gillette Cup Final (1.30, 1.45, 2.15, 2.40, 3.10, 3.50, 4.55, 5.25, 5.55) Middlesex v Surrey; Golf (1.30, 2.10, 2.35, 3.05, 3.50, 4.55, 5.30) European Open; Athletics (1.30, 2.05, 2.30, 3.10, 3.30, 4.55, 6.35) Nationwide AAA Championships; Racing from Haydock (1.30, 1.50, 3.10, 3.40, 4.50); 5.00 Sports Report. 6.03 Europa 80. 7.02 Three In A Row. 7.30 Sports Desk. 7.33 Big Band Special (S). 8.02 Portsmouth Country Music Festival 1980 (S). 10.02 King's Singers. 10.30 The 128th British Open Brass Band Competition (S). 11.02 Sports Desk. 11.10 Bob Kilbey with The Late Show (S), including 12.00 News. 2.02-5.00 am You and the Night and the Music (S).

RADIO 3

7.05 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.25 Cricket: Gillette Cup Final: Surrey v Middlesex including 1.00 pm News. 1.05 Cricket scoreboard. 7.30 Proms. Part 1: Schubert (S). 8.25 Fabulous Beasts. 8.45 Proms. Part 2: Britten (S). 9.40 The Church and Latin-American Politics. 10.00 Mozart chamber music (S). 10.30 Doctor Fischer of Geneva or The Bomb Party by Graham Greene. 11.00 News. 11.05-11.15 Turlough O'Carolan (S).

VHF—with Medium Wave except as follows: 6.00-8.00 am Open University. 10.25 Stereo Release of music by Beethoven (S). 11.10 Brass at the Free Trade Hall (S). 11.45 I Know What I Like (S). 1.00 pm News. 1.05 Christian Blackshaw piano recital (S). 2.00 Music by English Court Composers Concert. Part 1 (S). 2.40 Interval Reading. 2.45 Concert part 2 (S). 3.25 Beethoven and Brahms Chamber music recital, Part 1 (S). 4.20 Interval Reading. 4.25 Recital Part 2 (S). 5.00 Jazz Records Requests (S). 5.45 Viola and Piano Sonatas (S). 6.30 The Organ Works of J. S. Bach (S).

RADIO 4

6.25 am Shipping forecast. 6.30 ... 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather; programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather; programme news. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Breakaway. 9.50 News Stand. 10.05 Conference Special (Report on Trades Union Congress in Brighton). 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Marriage Matters. 12.27 The News Quiz (S). 12.55 Weather; programme news. 1.00 News. 1.10 Something to Declare. 1.55 Shipping forecast. 2.00 News. 2.05 Wildlife. 2.30 "The Golden Bowl," by Henry James. 3.25 Join Radio 3. 5.00 Getting Together. 5.25 Injury Time. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.15 Desert Island Discs with guest The Earl of Snowdon. 6.55 A Word In Edgeways. 7.35 Robin Ray with records (S). 8.30 Saturday-Night Theatre. 9.58 Weather. 10.00 News. 10.15 Winning Them Back (S). 11.00 Lighten Our Darkness. 11.15 Submarine (S). 12.00 News.

BBC Radio London

5.00 am As Radio 2. 7.32 Good Fishing. 8.00 News; weather; traffic sport. 8.16 Weekend What's On. 8.30 Bob Powel's London Country. 10.03 Stuart Colman's Echoes. 11.30 The Robbie Vincent Show. 2.00 pm Time Off. 3.00-3.00 am Join Radio 2.

London Broadcasting

7.00 am AM—Des Fahy. 10.00 Jellybone. 12.00 LBC Reports. 1.00 pm Sportswatch. 8.00 LBC Reports. 7.00 Geet Male. 8.00 Network—"The Yorkshire Ripper" from Pennine Radio. 9.00 The London Interview—Kevin Byrde talks to Graham Greene. 10.00 Nightline. 1.00 am Night Extra. 4.00 Hayes on Sunday. 4.30 Decision Makers. 5.00 Morning Music.

TV RATINGS W/e August 31

1	Larry Grayson's Generation Game (BBC)	12.85
2	The Big Top Variety Show (Thme.)	12.25
3	Coronation St. (Wed.) (Gmn.)	12.10
3	Juliet Bravo (BBC)	12.10
5	Crossroads (Wed.) (ATV)	11.70
6	Winner Takes All (Yorks.)	11.30
7	The Man Who Would Be King (ITV)	11.10
7	Starsky and Hutch (BBC)	11.10
9	The Krypton Factor (Gmn.)	11.05
9	How's Your Father (Yorks.)	11.05
11	Chaos Supercedes Ena (Southern)	10.85
12	Robin's Nest (Thms.)	10.75
12	Miss United Kingdom 1980 (Thms.)	10.75
14	News at Ten (Wed.) (ITN)	10.70
15	Crossroads (Tues.) (ATV)	10.55
16	Nine O'clock News (Fri.) (BBC)	10.50
17	Coronation St. (Mon.) (Gmn.)	10.35
18	Don't Just Sit There (Yorks.)	10.30
18	Cheyenne Autumn (ABC)	10.30
20	Up The Sandbox (BBC)	10.05

Figures prepared by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR).

U.S. TOP TEN (Nielsen ratings)

1	M.A.S.H. (comedy) (CBS)	22.0
2	Dallas (drama) (CBS)	22.0
3	Three's Company (ABC)	21.6
4	Taxi (comedy) (ABC)	20.4
5	One Day at a Time (comedy) (CBS)	19.6
6	Charlie's Angels (drama) (ABC)	19.2
7	Hart to Hart (drama) (ABC)	18.8
8	Dukes of Hazzard (comedy) (CBS)	18.8
8	20/20 (comedy) (ABC)	18.6
10	Vegas (drama) (ABC)	18.5

CHESS SOLUTIONS

Solution to Position No. 336
1 K-K7! Q-N5 ch (or Q-K7 ch; 2 K-B7); 2 K-B7. Resigns. If 2 ... Q-N6 ch; 3 Q-K6, Q-KB6 cb; 4 Q-B6 ch exchanges queens and wins.

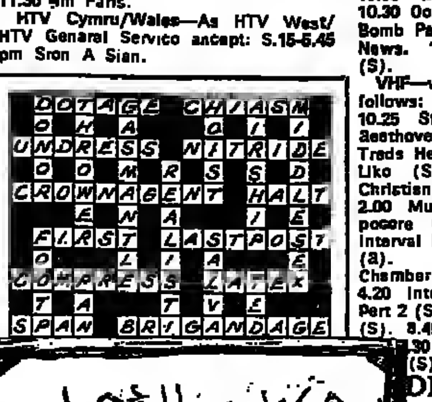
Solution to Problem No. 336
1 B-R1, PxP; 2 K-B1, K-Q8; 3 N-B2 mate.

SOLUTION AND WINNERS OF PUZZLE No. 4,361

Mr. J. C. Marsden, 7, Surrey Close, Tunbridge Wells, Kent TN2 5RF.

Mr. T. Nisbet, Ballencrieff, Charters Road, Sunningdale, Berks. SL5 9RA.

Mrs. J. W. Seamer, Crabbes Close, Hyde Lane, Marlborough, Wilts. SN8 1JN.



LEISURE

Piggott with style

PIGGOTT, Eddery and Swinburn, the three jockeys principally involved in the O'Brien, Stoute and Walwyn stable shakeups, all look certain to make their presence felt again today—but on the race course.

Nine times champion, Piggott, who has been replaced by Eddery as stable jockey to the O'Brien-Sangster team, can, ironically, boost his own coffers within 48 hours of the split by landing a £40,000 race, founded by Sangster, Haydock's Vernons Sprint Cup. Eddery, now well adrift of Carson in the championship race, is also in action on the Lancashire course with bright prospects for Walwyn, while Swinburn is likely to be on the mark for Stoute at first.

Unless he has begun to feel the effects of a hard-fought campaign, Moorestyle ought to provide Piggott with the most valuable prize on this course,

RACING

DOMINIC WIGAN

where the aptly-named The Chase gave the great jockey his first winner nearly 30 years ago.

Moorestyle, a handsome Manacle colt, now arguably worth around one hundred times the 4,000 guineas laid out for him as a yearling, has never run a bad race, and last time out probably produced his best display to date, when beaten at Deauville. There, the Newmarket three-year-old failed by only a short neck to hold the year older Boitron on far worse than weight for age terms in the 6½ furlongs Prix Maurice de Gheest.

For Eddery, aboard Kampala in the big sprint, the best prospect of the afternoon looks to be Prince Faisal's Kareem in the Fleetwood nursery. Although the Seven Barrows juvenile may have disappointed a few backers when only fifth of 11 in York's valuable Knavesmire nursery on August 19, it is worth noting that he was beaten less than 4½ lengths by the winner, Scintillating Air, to whom he was trying to concede 4 lbs. Kareem has less formidable opponents to beat, now that Cavalry Twill has come out and he is poised for a third success in five outings.

Cavalry Twill's handler, Michael Stoute, currently on target to train around 100 winners this season, has a good opinion of Princess Gayle, who made short work of That's Magic at Newcastle last month. Selim Zilkha's filly can give Swinburn a smooth winning ride in Thirsk's £5,000 added Highflier Stakes.

HAYDOCK
2.15—Kareem***
2.45—Sligo Bay
3.15—Bias
3.45—Moorestyle
4.15—Grand March
4.45—Cane Chestnut

KEMPTON
1.30—Appaloosa
2.00—Astonished
2.30—Haul Knight
3.00—Sanu
3.30—King James
4.00—Hartsfield

THIRSK
2.15—Princess Gayle**
2.45—Frasas
4.15—Leader of the Pack*

Still mightier than the sword

COLLECTING

JANET MARSH

SOME YEARS AGO I wrote about Mr. Philip Poole's pen shop in Drury Lane. Even then the window was an eye-catcher, displaying a section of Mr. Poole's unrivalled collection of old steel pens in highly decorated boxes, and dominated by a glittering pyramid, bejewelled with thousands of pens, and originally created as a showpiece for nineteenth-century trade exhibitions.

As the steel pen became for all practical purposes extinct, Mr. Poole diligently scoured the country for surviving trade stocks, so that he could continue to supply customers, all over the world, who still prefer to write with old fashioned dip-pens.

Today you can still go into Mr. Poole's shop and choose from among hundreds of styles and shapes—Mitchells' "J." Myers' Round Writer, McNiven and Cameron's "Waverley," Brandauers' Circular Pointed, even pens fancily shaped like little hands, with the forefinger as the writing point. It is probably a bigger range than even a Victorian or Edwardian supplier would have stocked.

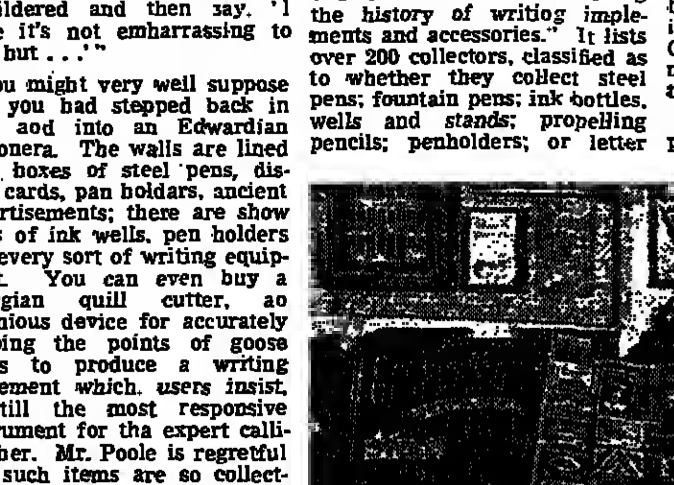
Of course, even Mr. Poole cannot ignore inflation; but his price of 5p or 10p hardly seems excessive for a steel nib that is certainly no less than 30 years old, and is probably well on its way to being an antique in its own right. As a historian of the manufacture and trade, Mr. Poole can tell you that the development of the steel pen through the nineteenth century and the eventual mass production (already by the 1850s Hinks Wells alone were turning out some two million gross of nibs a year) were a triumph of precision industrialisation.

This week I revisited Mr. Poole's shop to find that it had been further transformed in the years since my article. Now there is little sign that the official trade of the shop is retail stationer. "When people come in wanting typing paper or carbons or cash books they're inclined to look around bewildered and then say, 'I hope it's not embarrassing to ask, but . . .'"

You might very well suppose that you had stepped back in time and into an Edwardian stationers. The walls are lined with boxes of steel pens, display cards, pen holders, ancient advertisements; there are show cases of ink wells, pen holders and every sort of writing equipment. You can even buy a Georgian quill cutter, an ingenious device for accurately clipping the points of goose quills to produce a writing implement which, users insist, is still the most responsive instrument for the expert calligrapher. Mr. Poole is regretful that such items are so collectable now that the price for this one is £45. For 50p, though, you can buy a ready, and expertly cut quill, which at least saves a good deal of goose-chasing.

Alongside the library of books on calligraphy and writing instruments which Mr. Poole keeps for the reference by enthusiasts, you may find a pile of 18th century writing sheets and calligraphy specimens, nicely mounted, very frameable and highly decorative at £6 each.

In the past year or so Mr. Poole's shop has become the unofficial centre of the whole new world of collecting writing implements. The fourth issue of a now regular newsletter has just appeared. "Published by His Nibs Philip Poole to stimulate interest in the formation of societies for recording the history of writing implements and accessories." It lists over 200 collectors, classified as to whether they collect steel pens; fountain pens; ink bottles, wells and stands; propelling pencils; penholders; or letter balances.



Financed by Mr. Poole himself with the help of donations from other collectors, the newsletter is a quite remarkable collection of lore, ranging from the history of individual manufacturers to the classification of fountain pen filler systems. Mr. Poole is also indefatigable in ferreting out any early literature on the history and manufacture of writing instruments, which he reprints either for circulation with his newsletters or for sale at very modest charges.

Mr. Poole's own first interest is the steel pen, but he keeps a small stock of old, good quality fountain pens, primarily for people who want them for use. Fountain pens, of course, have become a highly collected item in the past five years or so; Christies, South Kensington, now hold regular sales every three months or so.

The history of the fountain pen, as we learn from an article by Mr. D. G. R. Nudd, in one of His Nibs' newsletters, is already quite ancient. Pepys, it is true, had a disappointment with a "silver pen which was promysed me to hold ink in:" but by the early nineteenth century there were various patents for reservoir pens. The first successful pen to be marketed was patented in 1884 by a New York insurance salesman called L. E. Waterman. Legend has it that he was irked into the invention when a conventional pen spattered ink on a policy and lost him the sale.

Rivals were close behind. De La Rue who were to make Onoto, Swift and Pelican pens—entered the field about the same time. George Parker, a Canadian physics teacher, put his pens on the market in 1888, and Mabie Todd and Bard of New York introduced the Swan in the following year. The three quarters of a century between this time and the large-scale eclipse of the fountain pen by the ubiquitous ball point produced a constant stream of improvements and elaborations which are now the delight of collectors, and are starting to attract their own literature (*Fountain Pens*, by Cliff Lawrence, Kentucky; £5.50 in Britain).

Mr. Poole's latest newsletter lists a number of dealers in writing instruments and accessories; but his own shop is necessarily the first stop-off for collectors. For information about plans for a collectors' club and a forthcoming conference at the Bonnington Hotel, Southampton Row, however, readers should contact Maureen Greenland, at 4, Greystones Grange Crescent, Sheffield S11 7JL.

Mrs. Lloyd's revenge

TENNIS

JOHN BARRETT

IN A REPEAT of last year's final Chris Evert Lloyd gained revenge against Tracy Austin for defeat on that occasion by winning their semi-final match yesterday in the $654,082 U.S. open championships at Flushing Meadow Park.

Her opponent in the final will be either the 18-year-old Czech Hana Mandlikova who had earlier beaten the No. 2 seed, Martina Navratilova, or 15-year-old Andrea Jaeger who has taken on Miss Austin's mantle as the latest American teenage wonder child.

The manner of Mrs. Lloyd's 4—6, 6—1, 6—1 victory which lasted an hour and 46 minutes must have given the former U.S. No. 1 tremendous satisfaction for she took on her 17-year-old opponent from the back of the court and beat her at her own game.

The match began with a run of four quick games to Miss Austin and it seemed she would continue the dominance that she has achieved over Mrs. Lloyd since last year's final. Since then she has scored four wins without losing a set and overall leads by seven matches to five in their personal duels which began with that fascinating meeting on Wimbledon's Centre Court in the third round of the 1977 championships.

As she freely admits Mrs. Lloyd's marriage last year made it difficult for her to put tennis at the top of her list of priorities and the voluntary break came at the end of last year when she realised that she no longer had any zest for the game.

spring all the old fire and enthusiasm have gradually returned. In fact she has lost only one of the last 42 matches she has played — that in the Wimbledon final to Evonne Cawley. Perhaps it was fortunate for both Mrs. Lloyd and Miss Austin that the Australian was unable to compete here for she it was who defeated them both at Wimbledon.

Yesterday's match began to turn in Mrs. Lloyd's favour in the fifth game when Miss Austin projected a double fault to lose her serve. Mrs. Lloyd was now living at the younger player's pace and won 11 of the last 18 points of the opening set — not sufficient to save it but enough to confirm that she was good enough on the day to work out a win.

From 1-1 in the second set—a service break against each of them — Mrs. Lloyd reeled off four successive games for the loss of only five points and then broke Miss Austin again to level the match after 73 minutes.

Mrs. Lloyd continued to use the drop shot sparingly as a telling weapon to remove her opponent from the base line area where she operates so effectively. The passing shots too were now being hit with more confidence and acuracy and it was Miss Austin who was missing the lines by inches. By the end Mrs. Lloyd was moving her opponent around the court at will and Miss Austin could win only six points in the last five games.

Clearly this win meant a great deal to Mrs. Lloyd who said afterwards: "This was my most emotional match ever and probably the most important win since I beat Evonne Goolagong at Wimbledon in 1976."

Certainly it re-establishes Mrs. Lloyd at the top of the American game a position from which Miss Austin removed her last year. She must now stand an excellent change of improving upon her already impressive U.S. Open record for she has been in the final for the past five years with wins over Miss Goolagong in 1975 and 1976 and another Australian, Wendy Turnbull, in 1977, all three years on the clay at Forest Hills, and in 1978 against Pam Shriver when the championships moved here.

The progress of youth in the women's game has been most marked this yeard. The average age of the eight quarter-finalists i nthe women's singles was 19 years eight months against last year's average of 26 years. The four semi-finalists this time average 18.9 years and the emergence of Miss Mandlikova and Miss Jaeger at the hed of the women's game so young augurs well for the future for so many of the current leaders besides Mrs. Lloyd and Miss Austin (one thinks of Virginia Wade, Billie Jean King, Wendy Turnbull, Bettey Stove) are fading from the scene.

Today's men's semi-finals are of more than ordinary interest for several reasons. If the No. 1 seed, Bjorn Borg, can beat South Africa's Johan Kriek, as he should and John McEnroe can maintain his recent ascendancy over the man who displaced as the U.S. No. 1, Jimmy Connors, then we shall have a re-match of the Wimbledon final. On this Decotruf asphalt surface the holder McEnroe stands his greatest chance of thwarting Borg's avowed intent to complete the Grand Slam of the world's four major championships. If Borg does win here McEnroe has already said that he will follow him to Australia in the last of those major championships.

McEnroe's quarter-final win on Thursday night suggests that he is beginning to run into form at the right moment. He was pushed to the limits of his considerable talent by the 20-year-old Czech Ivan Lendl before winning 4—6, 6—3, 6—2, 7—5 and intruth was simply forced to play his best tennis to survive.

For a set and a-half Lendl seemed able to project searing winners at will—many of them direct returns of McEnroe's serve which at this point was not functioning at its lethal best. Only when he had whipped himself into top gear did McEnroe's swinging left-handed delivery begin to hold the Czech who, even then, was still hitting an embarrassing number of clean winners past his opponent.

The match lasted for two hours and 46 minutes and ended at 15 minutes past midnight but afterwards McEnroe declared himself pleased that he had been pushed so hard. There was little sign of the ankle injury which had hindered his early progress in the tournament and he said he expected his match with Connors to be a full-blooded affair. "We don't like losing to each other," he said.

Chris Evert Lloyd

Borg, too, seems mercifully to have overcome the knee injury which caused him to retire to Lendl in the final of the Canadian Open three weeks ago. In revenging himself against Roscoe Tanner in a splendid five-set quarter final he was moving as fast at the end as he had done in the Wimbledon final against McEnroe. Although he will not beat Kriek for speed—the South African is probably tha fastest mover in the business—he should be altogether too experienced and competent against a player who is making his first appearance in a major championship semi-final.

Best of British

CHESS

LEONARD BARDEN

THE Lloyds Bank Masters at Finsbury Park, London, last week was the fourth and strongest in the annual series. As an "international Swiss," it is now the premier event of its type in Europe.

Despite fierce competition from three world class grandmasters and 14 IMs, the young British players had some encouraging successes.

All three GMs lost to English juniors, while Law, Povah and 18-year-old William Watson of St. Paul's School made international master norms.

Final scores were Gheorghiu (Romania), Chandler (New Zealand) and Ligterink (Netherlands) 7 out of 9, Sax (Hungary), Lederman and Gutman (both Israel) 6½, Shamkovich (U.S.), Iskov (Denmark), Pritchett (Scotland), Langeweg (Netherlands), Law and Finlayson (both England) 6. Hartston, the British co-champion, Bellin and Botterill were among the home players a further half point behind in a field of 100 entrants from 26 countries.

Lloyds Bank's chess sponsorship is principally directed towards young players in schools and universities, and an important function of this flagship event is to provide juniors with early experience of uniformly strong opposition under international conditions.

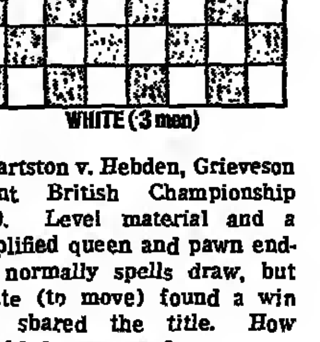
Many of the 30 juniors with scholarships from the bank rose to the occasion, notably John Cox (18) of Eton College, who beat Shamkovich, and Peter Wells of Portsmouth who qualified for a FIDE Master norm at age 15. Gheorghiu, who took the Lloyds Bank trophy on tie-break from last year's winner Murray Chandler, is ranked ninth in the world. His active, inventive style is suited to this type of event where high scoring is at a premium and he flew into London direct from Atlanta, Georgia, where he won the U.S. Open title for the second year running. Here, rarely for him, he lost twice, and the second defeat must rank as the best game of the 1980 Masters.

White: C. W. Pritchett (Scotland)
Black: F. Gheorghiu (Romania)
Sicilian Defence (Lloyds Bank 1980)

1 P-K4, P-QB4; 2 N-KB3, P-K3; 3 P-Q4, PxP; 4 NxP, P-QR3; 5 B-Q3, N-KB3; 6 0-0, P-Q3; 7 P-QB4, B-K2; 8 N-QB3, 0-0; 9 B-K3, R-K1 (attempting to improve on Q-B2 which went badly for Black in Geller-Panno, Lone Pine 1980; but Black's entire formation is suspiciously passive); 10 P-B4, QN-Q2; 11 K-R1, B-B1; 12 Q-K2, Q-B2; 13 QR-B1, P-QN3; 14 P-QN4! (aiming to roll up the Q-side with P-QR4-5 and control the useful dark square QN6. Since this would tie Black to passive defence, he is forced to counter with a central break which the next few moves prepare), B-N2; 15 N-N3, QR-B1; 16 P-QR4, Q-N1; 17 P-R5, P-Q4; 18 PxQP, BxNP; 19 N-R2! (gaining a useful tempo), RxR; 20 BxR, PxRP; 21 NxB, PxN; 22 PxP, PxP (after RxP; 23 P-K5 followed by N-Q4, White's fine position is also well worth a pawn); 23 P-K5, N-Q4; 24 Q-R5, N-B1 (if P-R3 the simplest is 25 R-B3 keeping up the pressure); 25 P-B5! (the thematic break-through to open up the KB file against Black's king. Black's defence is hampered by the loose rook on K1) PxP; 26 QxBP, Q-B2; 27 N-B5! B-B1 (QxN? fails to 28 Q-B7 ch. If now 28 P-K6? N-B3! and Black can still fight, but Pritchett finds the precise reply); 28 Q-B3! N-N3 (B-K3 loses neatly to 29 QxN ch!); 29 P-K6, R-Q1 (the threat was 30 Q-B7 ch, while NxP fails to 31 BxP ch, KxB; 32 Q-R5 ch); 30 B-KN5, Resigns. Black is mated or loses heavy material.

POSITION No. 336

BLACK (3 men)

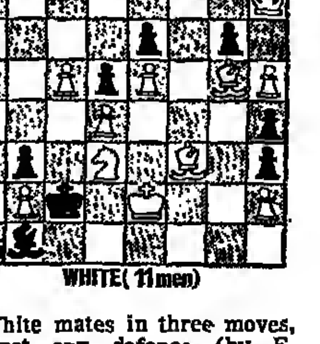


WHITE (3 men)

Hartston v. Hebden, Grieveson Grant British Championship 1980. Level material and a simplified queen and pawn ending normally spells draw, but White (to move) found a win and shared the title. How should the game go?

PROBLEM No. 336

BLACK (10 men)



WHITE (11 men)

White mates in three moves, against any defence (by F. Giegold). The black king is movebound—but note that 1 QxP? or 1 PxP? concede stalemate.

Solutions, Page 14

Playing it safe

BRIDGE

E. P. C. COTTER

MY FIRST example hand today comes from rubber bridge:

N
♠ A Q 9
♡ K J 5
◇ A 10 7 6 2
♣ K 7

W
♠ 8 7 6 4
♡ 10 8 3 2
◇ 8 3
♣ J 9 5

E
♠ J 10 5 2
♡ Q
◇ J 9 5 4
♣ 10 6 4 3

S
♠ K 3
♡ A 9 7 6 4
◇ K Q
♣ A Q 8 2

North dealt at a love score and opened the bidding with one no trump, to which South replied with three hearts. North rebid three spades—a bid which accepts hearts as trumps, cue-bids the spade Ace, and shows willingness to explore slam possibilities. South described his hand further by bidding four clubs. North said five clubs, and South jumped to six hearts.

West led the eight of spades, declarer won in hand with the King, and led the four of hearts, finessing the Knave on the table. The Queen won, and East returned the two of spades to the Queen. The King of hearts was cashad, and South received the bad news—there was a second trump loser—and the slam was defeated.

The declarer does not deserve any sympathy. With tricks to burn, he had only to make sure that he did not lose two trump tricks, and the slam would come homa. It was absolutely vital to employ a safety play in hearts in order to cope with a possible 4-1 trump division. At trick two the correct play is to cash the heart King. With the actual lie of the cards, there is no further problem—the Queen drops from East, and one trick is graciously conceded to the 10.

But suppose that two low cards fall when the King is played—what then? South must return to hand with a club to his Queen, and lead the six of hearts. If West fails to follow suit, dummy's Knave is played and loses to East's Queen, but whatever East returns the declarer can reach dummy and play tha last heart, taking the marked finesse against East's 10. If, on the other hand, West started with four to the Queen and 10, he can only make one trick in trumps with the Queen, whether ha plays it at once or later.

My second hand comes from a pairs event:

♠ A K 6
♡ Q 3
◇ A K 6 5
♣ J 7 5 3

♠ 10 7 5 2
♡ 10 9 8 7 2
◇ Q J 9 4
♣ —

♠ 9 4 3
♡ J 6 5
◇ 10 7 3
♣ Q 10 9 4

♠ Q J 8
♡ A K 4
◇ 8 2
♣ A K 8 6 2

South dealt with North-South vulnerable and bid one club. North said one diamond, and South rebid two no trumps. With 17 points North went straight to six no trumps, which became the final contract.

When West led the 10 of hearts, the declarer saw that some pairs might reach seven clubs or seven no trumps, and if the clubs broke or the Queen fell singleton, 13 tricks would be made. It is not normal at match points to employ safety plays unless the declarer thinks he has reached a contract which other pairs might not reach, but on this occasion South decided to make a safety play in clubs — if it proved necessary, it would not only save him from being beaten by the grand slam bidders, but would allow him to outscore all those who had bid a small slam.

Winning with dummy's Heart Queen, declarer came to hand with a spade and led the 2 of clubs. This, undoubtedly the correct play at rubber bridge or teams, proved a winner on this occasion. When West failed to follow suit, dummy's Knave lost to East's Queen, but declarer was able to lead clubs twice from the table and pick up East's 10 and 9, and make 12 tricks for an excellent match point score.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000
Saturday September 6 1980

The City gets cynical

THE ODDEST event of the week has been the rise in the gilts market. Early in the week rumours of a cut in minimum lending rate started in the foreign exchange market; they were strong enough to knock nearly half a point off the weighted average of sterling for a time. The gilts market rose, and did not fall back. Yesterday the Government broker finally activated the official tap stock by dropping the price more than four points; the market rose again. This time the rumours were openly cynical: MLR would be cut in time for the Tory conference.

Unpleasant

The rumours need not be taken seriously; a market will always tend to rationalise its own price movements. What is quite serious is the underlying thought behind what remains a remarkable change in behaviour. A few weeks ago, when it emerged that the money supply had been growing rapidly under the suppressing disguise of the banking corset, the market reacted with a sharp fall. It was expected that something unpleasant would have to be done to reassert control.

Subsequent events did nothing to spread cheerfulness. Guesses of the August money supply figures became increasingly horrific. Interest rates in the U.S. took on a clear upward trend. The market continued to react as might be expected from such developments, and drifted sullenly downwards.

Now, however, there is a change of mood. It has been produced by three factors: an interval for reflection, a steady flow of grim news from the real economy, and the absence of any new issues of Government stock. The broad conclusion now is that whatever is due to happen next, it will not follow the conventional pattern. The economy is too weak to take a further rise in interest rates, and in any case, the figures for July and the rumoured figures for August suggest that the traditional methods do not work in present circumstances.

The evidence from the economy is only too clear. Closure follows closure, the figures for industrial liquidity portray a squeeze on manufacturing cash flow without any precedent, and the profit figures show that even strong innovative companies like ICI, and apparently sheltered industries such as food processing, are caught in the vice.

Large buyers

The financial figures are somewhat harder to interpret, but contain more than adequate texts for those who want to question existing policies. The balance of payments figures are combed for evidence of large foreign buying of gilts—and at last the evidence has appeared, more than a year after the first reports of large buyers with sand on their boots.

Bank analysts talk learnedly of the portfolio balance of bank investments, and conclude that one reason for recent explosive monetary growth is that the banks are seeking deposits to rebuild their holdings of long-term securities, run down during the corset regime. The constant efforts by the authorities to hold down money-market interest rates are analysed to show that Government funding in the capital markets has now passed the point of no return, where every success in extracting money has to be offset by moves to put it back.

Th conclusions drawn from all this vary widely. Some brokers are advising their clients, in effect, that monetarism has been a mistake from the start. The money supply figures tell us what has been happening in the past, as inflation and shrinking markets have driven companies to heavy borrowing. The slower rise now expected in wages and commodity prices will produce slower monetary growth in due course, because inflation is being throttled by an old-fashioned slump.

Others argue, more moderately, that it is simply the current figures which are misleading, reflecting post-corset distortions, and a temporary bulge in both Government and private borrowing. In due course the borrowing of the public sector will be seen to be not too far off target, and private-sector borrowing will relapse as effort to reduce stocks finally succeed, as happened in the U.S. The end message is the same: the figures will come right quite soon if we are patient.

Finally, the technical critics argue that there is indeed a problem of monetary control, but that it can only be solved by a new approach. The Government's present advisers have had their own credit severely dented by recent events, so innovations will now be possible, according to the commentator's taste. Again, the answers do not involve a renewal of the traditional squeeze.

Whatever the technical explanation, the market's general feeling about the situation are probably right: the Government's existing policy has produced sufficient pain in the real economy to satisfy the most determined disciplinarian, and the thrust of policy will now change. Whether this involves new methods of Government finance, a carefully-concealed U-turn, or simply a short wait before the money figures confirm the Government's victory over credit-fed inflation, remains to be seen.

Our correspondents examine Saudi Arabia's decision and the change in Aramco's rôle

Why the Saudis will lift less oil . . .

AN enormous sneeze by Saudi Arabia is still capable of infecting the whole world with pneumonia.

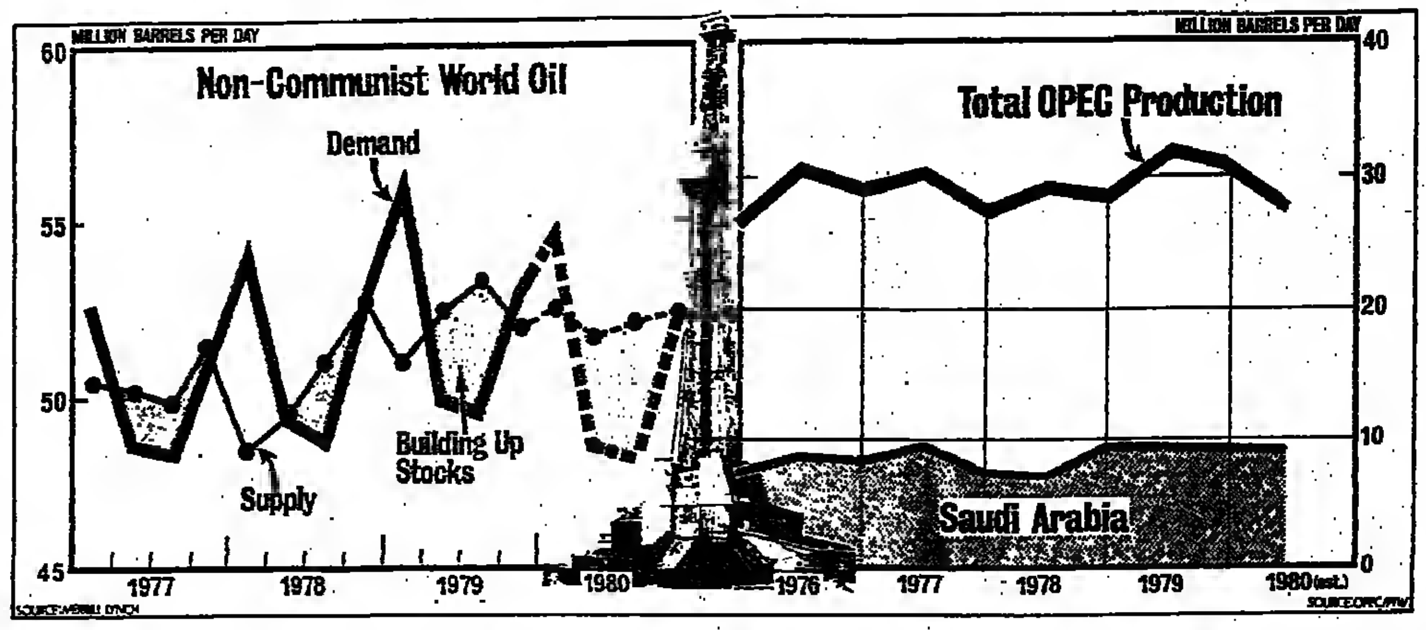
The country's leadership never boasts about the virulent potential that it derives from possession of one-third or more of global oil reserves and a similar proportion of the production capacity of the Organisation of Petroleum Exporting Countries.

However, as Sheikh Ahmed Zaki Yamani casually pointed out recently: "We can immediately reduce our production to 5m barrels a day and keep that oil in the ground and raise our prices to, let us say, $50-$60 a barrel."

Thus, any Saudi decision on production, like the cut now in prospect for the last quarter, is a significant development. Wielding a power almost grossly disproportionate to the vulnerability of the country and the paucity of its population, the kingdom can decree whether there is a surplus or a shortage of oil on the world market.

The latest shift in policy illustrates Saudi Arabia's deliberate pursuit of a strategy aimed at two related but conflicting objectives—a halt to the escalation in prices in the 18 months up until July, when average official selling rates rose two and a half times, and the realignment of OPEC rates under a rational system.

The realignment of rates—a $32-per-barrel reference price seems most likely—is a precondition for the permanent indexation of oil prices which OPEC is now considering. It will be discussed further at a special conference which starts in Vienna on September 15. If agreed, it would have profound implications for the industrialised world because it would mean a new situation in which oil prices rose automatically—but at least with a degree of predictability — in line with indexes covering inflation, currency fluctuations and the growth of industrialised countries.



The strategy report to be considered by the conference also suggests that it should be possible to "administer" prices by adjusting output. Moreover, the Saudis are now closer to agreeing to the idea of production control than at any time in the past. Indeed, the indications are that they will participate in a co-ordinated OPEC programme if all the other members agree to abide by a relatively moderate, automatic pricing mechanism.

The balance between oil supply and demand is a very fine one, a fact in no way disguised by a temporary "glut" this summer, tumbling prices on the marginal spot market, and the shaving of a few pence from a gallon of petrol. The build-up of stocks on the market to a volume calculated at 5bn barrels has very much been Saudi Arabia's doing.

First, it raised its upper limit for production from 8.5m b/d, which remains the "official ceiling," following the cut-off of shipments from Iran in the autumn of 1978 and the drastic shortfall following the overthrow of the Shah. Until now it has maintained the higher rate.

Second, the kingdom has consistently set lower prices since other members of OPEC began in February 1979 to raise their rates in a disorderly scramble. There was only a brief respite from this leapfrogging in the third quarter of last year, and there has been another lull over the past two months following the OPEC conference in Algiers when members edged towards compromise on price reunification.

Saudi moderation on the oil pricing front since the three-fold rise in the last quarter of 1973 is a fact of life, though one all too easily taken for granted. It is still based on a genuine concern about the world's economic well-being and the kingdom's own interdependence on the West, not the least considerations about its own security.

In the 1974-77 period, however, Saudi Arabia suffered grave strains as a result of its policy of restraint, which aroused the hostility of Arab members of OPEC and Iran, especially in the first half of 1977 when Saudi Arabia and the United Arab Emirates set a lower price than other members. The subsequent 18-month freeze was made possible through a tacit understanding with Iran as much as by market conditions.

Currently, Saudi Arabia charges $28 a barrel for its standard light grade of crude compared with the equivalent of $32 set by other Gulf members of OPEC with the exception of the United Arab Emirates, which is somewhere in between, and Iran, which has effectively priced itself out of the market for the time being.

The discrepancy has been sufficient to ensure that Saudi out this year has run at 9.5m b/d, at the maximum permitted level. The result has been that its share of OPEC output in the first half of 1980 was almost exactly a third, compared with 27 per cent in the same period of 1978 when the market was slack and total OPEC production ran at almost the same rate. The high-priced North African producers have felt the pressure on their premiums in the process.

Domestic, as well as political, constraints on Saudi Arabia's theoretical capacity to curb oil prices drastically are now probably greater than ever. At home the influential voices of several ministers have argued against producing substatnially more oil than required for expenditure needs. They have grown stronger with the general trend towards conservation within OPEC and the regime's recognition of the desirable limits to rapid development for political and social reasons.

The leadership is as sensitive as in 1973 to charges of Saudi Arabia being too amenable to the West and particularly the U.S. which has failed and shown a lack of will, in Arab eyes, to deliver — or more precisely exact from Israel — a peace settlement in the Middle East involving withdrawal from occupied territories and establishment of a Palestinian territorial entity.

In this context Crown Prince Fahd's statement three weeks ago could be seen as ominously significant. Dismissing the possibility of peace as an "exercise in fantasy," he called for a closing of Arab ranks — an implicit invitation to Egypt to return to the fold and to Iraq, now Saudi Arabia's close ally, to mend its differences with Syria — and asked whether the time had not come for the launching of a "holy war."

Now, as in 1973, Saudi Arabia is anxious to keep oil separate from politics. Yet the Palestinians will be the first to see Crown Prince Fahd's stern commitment. Pressure on Saudi Arabia to use force in the Arab cause seems bound to grow. At the very least its own will to temper OPEC militancy can only be reduced by the Middle East deadlock.

Richard Johns

and how it affects the majors

IT WAS one of the greatest commercial coups in the history of the oil industry. In August 1933 King Ibn Saud, the warrior ruler from the desert who had forged Saudi Arabia into a unified state, granted Standard Oil of California (Socal) an exclusive, 60-year concession to look for oil.

Thus began Aramco, the Arabian American Oil Company, which was to grow into the world's largest oil producing company, exert a major influence on U.S. relations with the Middle East and provide a vital flow of crude to its four eventual American partners — Socal, Texaco, Exxon and Mobil.

An era in the company's history — and that of the oil industry generally—came to an end this week with the disclosure that the Saudi Government has finally acquired 100 per cent of Aramco's shares from the four U.S. companies. A final instalment of the estimated $1.5bn compensation due to the majors for their remaining 40 per cent stake was paid last spring.

The development is no surprise, since the Saudi Government and the Aramco partners agreed in principle as long ago as 1974 on an eventual 100 per cent Saudi takeover.

But the takeover underlines afresh the dramatic erosion of the once dominant position of the major international oil companies over the past 10 years in states belonging to the Organisation of Petroleum Exporting Countries.

One of the most important questions facing the industry over the coming decade is the extent to which OPEC will further reduce the power of the majors — Exxon, Royal Dutch/Shell, Gulf, Mobil, Socal, Texaco and BP.

During the past 10 years their concessions in the OPEC states have either been nationalised outright or partially taken over by the state. The result has been that whereas the majors owned 61 per cent of the non-communist world's crude in 1970, with 33 per cent belonging to other private companies and just 6 per cent to producer governments, by 1979 the majors' share was down to 25 per cent, while governments' ownership was up to 55 per cent.

The supply scare which followed the 1978-79 Iranian revolution enabled the OPEC states to cut their dependence on the majors as buyers, turning instead to smaller companies or selling directly to the agents of other states in so-called "government to government" deals.

Shell estimates that since the Iranian revolution up to 3m b/d of oil—equivalent to more than 15 per cent of the major's pre-upheaval purchases from OPEC members—has been switched away from the large companies.

The majors have had, in their turn, sharply to curtail their sales to third-party customers and some, notably BP, have been forced into the volatile spot market to meet their crude requirements.

The Western companies complain that this new OPEC shift is bad not only for them, but for the operations of the oil market generally — making it less easy for the world to adjust to fluctuating supply and demand and thereby exerting an upward pressure on prices.

Flexibility upstream — in oil production — has been replaced by a need for flexibility down stream, in increased storage of crude and oil products, making for higher capital costs.

The current oil glut is not likely to allow the majors to recoup much of the ground they have lost. The oil supply position remains so uncertain that all purchasers are reluctant to prejudice their supply contracts with the producer countries.

The multinationals which have fared best in this new environment have been the Aramco partners, with large and assured supplies of oil from Saudi Arabia—for a long time at prices set by the Government below those of comparative crudes from other countries.

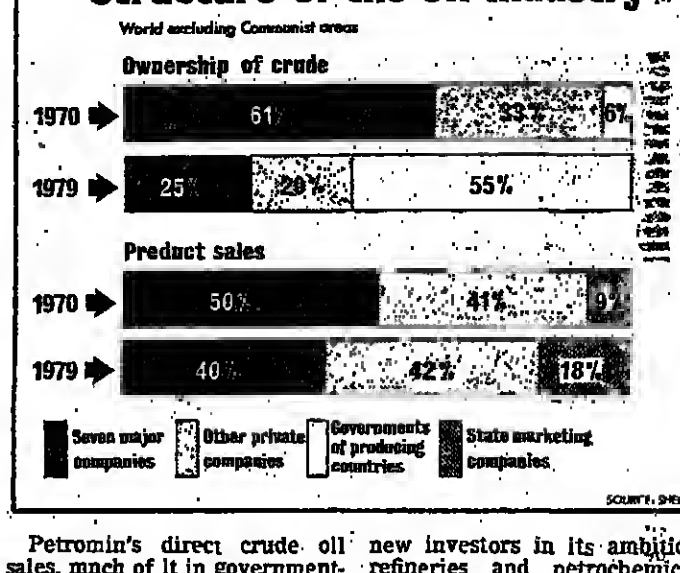
The main practical effect on the companies of the new arrangements is likely to be on their access to Saudi crude. Although final terms have yet to be agreed and the takeover deal may not even be signed this year, there are indications that supplies to the four Aramco partners could eventually be cut from about 6.9m b/d to as little as 4.5m b/d.

But the 100 per cent Saudi takeover of Aramco will not sever the four U.S. companies' strong links with the kingdom. Production arrangements will continue much as before, with the majors operating under management service contracts.

When the Saudi takeover was originally agreed, the Aramco partners expected that they would have access to around 7m barrels a day. But since then there has been a substantial increase in crude sales by Petromin, the Saudi national oil company.

Structure of the Oil Industry

World excluding Communist areas



Petromin's direct crude oil sales, much of it in government-to-government deals, have risen from 550,000 b/d in 1978 to 1.4m b/d now and it is lifting a further 170,000 b/d for processing deals abroad and 700,000 b/d for domestic refining, bringing total sales to more than 2m b/d. With Saudi production currently running at 9.5m b/d, this leaves around 7m b/d for the Aramco partners.

A Saudi decision to reduce production to 8.5m b/d will cut into the majors' take. This will be further reduced by the incentive payments in crude which the Government is offering to new investors in its ambitious refineries and petrochemicals projects and by the oil needed as feedstock.

The path taken by Petromin is being trod by every other OPEC national oil company. "The rising star in the world oil market now is the national oil company and most crude buyers will have to look to it, and accept its terms, to obtain future supplies," according to Mr. John Lichtblan of the New York-based Petroleum Industry Research Foundation.

Martin Dickson

Letters to the Editor

Reflation

From Mr. R. Musgrave

Sir,—Anatole Kaletsky (September 1) suggests that subsidies for some lame ducks are justified given the current unemployment levels. He is mistaken.

As he points out, subsidising lame ducks will not influence employment levels "when the country's output is constrained by its supply of labour," that is when unemployment is at or below what monetarists call its natural level. We currently have a monetarist inclined Government which presumably thinks the natural level is somewhere near 2m. If the Government is right, then subsidies for lame ducks are futile and for the above mentioned reasons which Mr. Kaletsky himself eloquently sets out.

Alternatively the natural level may be nowhere near 2m. If this is what Mr. Kaletsky is suggesting (and I would agree with him), then reflation is called for, not lame duck subsidies. Indeed the latter will not even work except in as far as they constitute additional aggregate expenditure; in other words lame duck subsidies are a useless irrelevance so far as dealing with unemployment goes.

R. S. Musgrave.
24, Garden Avenue,
Framwellgate Moor, Durham.

Tax

From Mr. W. Grey

Sir,—Like Dr. Beryl Foyle (September 3), I too have long advocated a payroll tax, albeit for different reasons and on somewhat different lines.

We already have a payroll tax in all but name in the national insurance contributions levied on both employers and workers as well as the self-employed. If we need this tax, as evidently we do (although there are some who, in the present circumstances, would like to see it reduced), two or perhaps even three refinements, apart from the change in nomenclature, might be suggested.

In place of the present flat-rate system, the tax should be varied regionally, so that it is lower in areas of above-average unemployment than in the lucky ones where the opposite is the case. This seems obvious enough, and should present no insurmountable administrative problems. Indeed, in proper bands, such a tax could be a very sensitive as well as sensible instrument in all sorts of ways.

For good measure, however, its basic rate (applicable, of course, to regions of average unemployment, if there are any) could, secondly, also be varied over time inversely with the underlying unemployment rate in the country generally. Again, while this would encourage labour saving at times (as well as in areas) of low unemployment, it would assist the preservation of jobs when (and where) the labour market going gets difficult.

Though this is bound to be more controversial, the tax could also be varied in direct, not inverse, proportion to the extent that pay rises exceed—or fall short of—a given norm, whether this be the going or expected rate of inflation or increase in nominal gross domestic product or past productivity gains or workers' share in their companies' added value or whatever. Now that really could be something!

W. Grey.
12, Arden Road, Finchley, N3.

Energy

From Mr. J. Russell.

Sir, — May not the most practical problem of current economic management be that of energy pricing and energy management?

Britain has a high-cost energy policy. Apart from any revenue benefits, this is a realistic response to the long-term availability of energy, but reduces the competitiveness of British industry with those areas where energy pricing is not as responsive to long-term realities, or where investment is cheaply available for energy saving.

Massive Government finance to accelerate investment in energy-efficient production would be uniquely logical in both market and economic terms.

In market terms because the benefits will accrue to the society (and its Government) to a far greater extent than to individual enterprises.

In Government terms because the immediate cash benefit from avoided revenue loss and payments is likely to exceed the cost at all times. Factories which might otherwise close will be kept open until investment can take effect by reducing energy costs; the market for new trucks and cars will be vastly expanded. Initially it will be worth while to accelerate replacement in order to reduce average size. Further accelerated replacement will be acceptable as more efficient designs are developed. The expertise acquired by industry in responding will be marketable abroad.

It is clear that the target savings attracting support must be initially low to encourage simple, already feasible actions and progressively increased to encourage development towards the massive savings which are possible for our country's overall use of energy.

J. H. M. Russell.
Disney Cottage, Christmas Lane,
Farnham Common, Bucks.

Nightmare

From Mr. J. Urquhart

Sir,—It has been said that the cost of spectacles is high. In fact spectacles have never been cheaper. Correctly prescribed single sight spectacles can be obtained for £7.64 and bifocals for £12.84 and these are quite adequate for most people's needs.

The high cost is not involved until fashion frames are chosen; and when was fashion value for money? Frames designed by international fashion houses are mostly way-out shapes and sizes and so become an optician's nightmare. Extra charges for over-size lenses, eccentric shaping, etc., have to be added to the cost of an already expensive frame. Much more work is involved because no matter the size or shape, centration has to be correct or else the spectacles cannot be worn.

There is no need for anyone to pay these high prices unless they wish to do so, and do please remember that you cannot legislate for stupidity.

James G. Urquhart.
142, Park Grove,
Barnsley, Yorkshire.

Westerly

From Mr. L. Fenn.

Sir, — June Field, in her article on August 30, states that Sennen, in Cornwall, is the most southerly village in England.

In fact, there are several villages which are more southerly, including Cadgwith, Coverack, Mullion, and Ruan Minor. I wonder if it could be that she means the most westerly?

L. G. Fenn.
"Pixie Cottage,"
Polhorman Lane, Mullion,
Helston, Cornwall.

Interest

From Mr. P. Nutting

Sir,—The arguments put forward in Mr. J. Maltby's letter (September 1) are equally relevant to money supply. Most bank managers will confirm that the clearing banks have plenty of money to lend if you can afford it. This hardly squares with a tight grip on money supply. Certainly neither a company nor an individual without collateral will find borrowing easy.

In theory the strong will survive and the weak will perish under these circumstances, which should be good for the country in the long run. It is, however, a very blunt instrument and in practice means that the larger companies and bodies like local authorities survive at the expense of the smaller company with less fat or collateral. In addition money is transferred from industry to the financial sector, which seems to be evident at present by the funds available to the banks.

By all means let us reduce public sector expenditure, keep to cash limits and control the supply of money in order to reduce the level of inflation. Could it not be done more satisfactorily with much lower interest rates as a result of the strength of sterling and the balance of payments?

Peter R. Nutting.
North Breache Manor,
Ewhurst, Surrey.

Planning

From Mr. F. Savage.

Sir. — Mrs. Thatcher and her other colleagues not in the know might do well to reflect on the activities of the Department of the Environment and county councils in the South-East.

Policy No. 20 of the Bedfordshire structure plan approved by Mr. Heseltine reads as follows: "The local planning authorities will oppose the grant of planning permission for speculative industrial or commercial development which do not meet a specified local need." The Hertfordshire structure plan policy No. 6 is: "In order to reduce the rate of growth in office employment and so aid the achievement of the aims and policy set out in Policy Number 1 permission for office development will normally be restricted: Oxfordshire policy "E1" is much the same, but my own county of Buckinghamshire takes the biscuit. Paragraph "116" reads: "Measures will have to be taken to decant people and jobs from south Buckinghamshire to the growth areas beyond the Green Belts."

Of course planners both in the public and in the private sector are grateful for the job opportunities presented by such odd goings-on. Your readers would be staggered to learn how costly planning inquiries can be, but it is clearly necessary to maintain full employment in local and central Government offices.

F. V. Savage.
Savage and Partners,
4, Red Lion Street, Chesham,
Bucks.

Sorting

From Mr. R. Hopkinson-Woolley

Sir,—I have been told that letters posted on the Isle of Wight are to be sent to Portsmouth by Hovercraft to be sorted and that letters bearing Isle of Wight addresses will then be returned to the island by Hovercraft. If, as I believe the amount of "local" mail posted on the island is considerable, the extra expense must be enormous, as a very costly form of transport is being used.

I believe it was decided to sort the island's letters in Portsmouth when two large places some distance to the east and on the coast, declined to have their post sorted there. It would seem that there was insufficient consultation before the plans were made and the new sorting facilities established in Portsmouth. Taking the island's post to Portsmouth to be sorted seems an expensive excuse for a mistaken investment.

R. A. Hopkinson-Woolley.
106, Banbury Road,
Oxford.

Sterling

From Mr. R. Giddy

Sir,—W. J. Houlihan (September 4), suggested imposing negative interest rates on foreign owned sterling deposits and paper in order to ease the upward pressure on the pound. May I suggest that there is a far less exotic way of achieving this and this would be to withdraw the exemption from UK withholding tax currently enjoyed by non resident depositors and purchasers of UK gilts. This exemption, non statutory in the case of the former and statutory in the case of the latter, is a survival of the days when a hard pressed Bank of England was trying to attract and retain sterling deposits and is an anachronism in the present economic climate.

The removal of this exemption, which incidentally is not usually enjoyed by foreign depositors in other countries, would, in addition to its effect on the strength of sterling, be of substantial benefit to the Exchequer.

R. V. Giddy.
The Albany Hotel,
Fordingbridge, Hants.

ACTORS' STRIKE STRETCHES TO 49 DAYS • BY PAUL BETTS

Electronic genie that upset Hollywood

THE BEST show in Hollywood is currently running in a hot, sticky cigar-smoke filled room above a west Hollywood drugstore. For the past 15 days, actors and producers have been battling inside the American Motion Picture Association's headquarters under the gaze of a Federal Government mediator to end a 49-day strike that threatens to bring the multi-million dollar Hollywood entertainment business to its knees.

So far no settlement seems in sight. Mr. Philip Myers, of Twentieth Century Fox, on Thursday described the outlook as "very bleak." Ms. Kim Fallier, of the Screen Actors Guild (SAG), the actors union, remarked glumly: "we are very stuck." And Ms. Loretta Swit—"Hotlips," the disaster-prone shapely lady soldier in the popular MASH TV comedy series—said from her Hollywood home on Thursday night "we've made as many concessions as we can."

The dispute is not only about pay. It also involves the implications—for actors and technicians—of the new electronic software that is changing the face of home entertainment.

Videocassettes, cable television and videodiscs are altering the whole shape of the business, and the people who actually create the programmes that are used on them want a share in the profits. It will doubtless not be long before echoes of this dispute are heard in Europe as well.

Like the rest of the 60,000 American actors on strike, Ms. Swit could still be out of a job for sometime. "It's been quite devastating. Financially and workwise. You see I'm a sort of workaholic," She was playing "Hotlips" when the strike was called at midnight on July 20. "We had almost completed one of the 25 episodes for the new MASH series." She was also to work on another television film last month.

Since the strike began, Ms. Swit has been joining the pickets outside the big Hollywood studios and is now organising the boycott of the Emmy television awards — the TV equivalent of Oscars and Academy Awards and a set piece of contemporary Americana—to be broadcast live throughout the nation tomorrow.

According to the MASH star, the current strike "is a very important period in the life of an artist. It is very crucial." But when it first began it was regarded in the country at large as something of a huge joke. Tourists and autograph hunters flocked to the studio gates to see their favourite actors walking the picket lines.

Demonstrators spread elsewhere and at one in New York famous faces marched to the tune of "There's No Business Like Show Business." It made the headlines briefly and featured in cartoons and bar talk.

But as the first round of talks between the industry and the actors broke down and the effects of the dispute started working themselves through the entertainment business, the mood changed.

The strike is now costing Hollywood in lost wages and income from goods and services, between $50m and $60m a week. Production has been suspended on 20 feature films and more than 40 prime time television series.

The big studios have been laying off thousands of people. According to one estimate, as many as 40,000 non-actors—including writers, directors, film editors, canteen and bar workers, carpenters, secretaries and teamsters—have either lost their jobs or have been put on part time.

It is causing havoc in the three big national TV networks—ABC, CBS and NBC. They have had to revise all their plans for the new autumn season at a time when the traditional ratings war between them heats up.

Loretta Swit (in hat) in a singing picketline outside Walt Disney Studios last month

The strike is still solid because those involved fully understand the long term principles involved. Although the actors' three-year contract is up for renewal and SAG has put in for a 35 per cent increase in minimum wages, the battle involves the far more crucial question of the emergence of a wholly new part of the film and television industry. The actors are demanding a share of the profits of this fast expanding and potentially highly lucrative market, which is made up of video casettes and videodiscs, pay and cable television.

These new inventions enabled the industry to create new home television outlets which are beginning to challenge the traditional U.S. entertainment industry. The so-called software TV and film business at present accounts for about 5 per cent of the American film industry's annual revenues of some $3.5bn. By 1985, it is expected to generate on its own annual revenues of as much as $1bn.

According to Mr. Harold Vogel, a film industry analyst with Merrill Lynch, the largest securities firm in Wall Street, "an electronic genie has been let out of the bottle." He forecasts: "With the advent of satellite cable networks, the market potential is 17m little home video theatres rather than 17,000 big theatres."

The Hollywood studios, the national networks, and certain big corporations, have not disguised a desire to control the new TV gadetry. Indeed, a major confrontation is currently developing between the present leader of the new market, Time Inc's. "Home Box Office" subsidiary, the Getty Oil Company and the U.S. Justice Department's Anti-Trust Division. It follows proposals by Getty Oil and four leading Hollywood studios — Columbia Pictures, Universal, Paramount and 20th Century Fox — to set up a national pay television network to try to capture the market.

Not surprisingly, the actors also want their share. When the strike began, they demanded 12 per cent of the gross revenues from the sales of productions made for pay TV and videocassettes. The producers immediately closed ranks.

In Mr. Vogel's opinion "they had to. It could set an important precedent which would run for the next 25-30 years and you cannot just give away part of the future growth of your business." Moreover, the film companies claimed the actors wanted a slice of the revenues without sharing the production risks.

The actors subsequently scaled down their demand to 6 per cent of the takings. In turn, the producers countered with a 3.6 per cent proposal but hedged this about with a series of conditions which the two actors' union—SAG and the American Federation of Television and Radio Artists — say would make the offer meaningless. "Six is the minimum we can ask," Ms. Swit said.

At this stage at least, the producers appear unlikely to budget. The strike has so far created no large strains on the bid studios and distributors. Indeed, Mr. Vogel suggested it could in the short term turn to the advantage of the producers. It may help them reduce their overbloated stock of already finished films as TV networks increasingly hire new feature films ready for distribution to fill in their blank slots.

But should the dispute last for another two or three months, future production schedules would be seriously disrupted with potentially adverse effects on profits, Mr. Vogel warned.

For their part, the actors' unions have shown remarkable determination to fight to the bitter end. In many respects, their strength derives from their curious union structure. According to SAG, less than 10 per cent of the union's 46,000 members hold acting jobs in any one year, and 82 per cent of members earn less than $5,000 a year from acting. Most of them make the bulk of their earnings from part time jobs—from working in a restaurant to driving a taxi. A prolonged strike thus constitutes no great hardship for SAG members, nor one suspects for the big stars, who, in any case, negotiate individual contracts with the studios.

Memories

There is also a deeper motivation. Many actors still remember the 42-day actors' strike fought 20 years ago about another trend in the film business—the showing of feature films on television. At that time, SAG, then led by Mr. Ronald Reagan, the Republican presidential candidate, settled for 6 per cent of the gross takings but allowed producers a 40 per cent distribution fee. This reduced the actors' share to 3.6 per cent—the same amount the producers are now offering for pay TV and videocassette revenues.

As a result, some actors still feel that SAG and Mr. Reagan, who incidentally served six terms as the Guild's president, were duped and sold out to management. "It will never happen again," a SAG member said.

The real victims of the dispute are the national television networks, the small independent producers whose productions have been stopped and who do not have sufficient cash resources to resist a long strike, and the non acting members of the Hollywood Community whose jobs directly depend on the film industry.

These workers, many of whom belong to more down to earth unions like the Teamsters or the Woodcraft Union, have now also taken to picketing but for different reasons. Although they have made many public noises supporting the actors, they have started picketing the Motion Picture Association headquarters where the actors are negotiating with the producers. They want their jobs back and hope to persuade the actors to end their strike while negotiations continue.

For their part, many small independent producers have reached interim agreements with the actors' unions to enable them to continue or resume shooting. SAG claims more than 60 producers of feature films and television programmes have signed such agreements, whereby the independents would meet the terms which are eventually negotiated as a result of the strike.

For the national TV networks, things have been bleak. Their new autumn seasons, which start in about 10 days, have been badly disrupted. They have had to cram some of their prime time with reruns of popular series. Although far less costly, reruns generate substantially less advertising revenue. But perhaps what worries the national networks most of all is the fear that viewers, bored by old programmes and expecting to discover who killed the dreadful J. R. Ewing in the Dallas saga, will be switching off to watch pay and cable TV.

Weekend Brief

A woman's place is in the kitchen

IF all male chauvinists are sitting comfortably, then I'll begin, for this is a tale of three attractive women — each married, and each the mother of three — who know that their place is firmly in the kitchen, and have thus risen to the top of one of the most notoriously competitive branches of the food business.

They are Vivienne Flower, Jenny Katz and Nita Koppel, and their firm is Katie's Kitchen, registered as Three K's, which from humble origins in 1973 has grown to be the country's leading manufacturer of fresh pizzas.

These are not to be confused with frozen pizzas, where the market leaders include some of the big boys of the food trade, such as Birds Eye, Findus and the like.

There are very few women at the top in food: there are few women buyers, or managers of supermarkets, let alone senior executives in big food companies. Yet Katie's Kitchen, launched with a start-up capital of less than £400, now produces more than 150,000 pizzas a week and has a turnover of £1.5m.

Their first venture was a small bakery at Kingsbury in north-west London, bought to meet the growing demand they had already created for a range of home-baked quiches, strudel, cheesecake, chocolate cake and cheese mille feuilles they had previously baked and sold from home.

At Kingsbury they started making pizzas, although in those days, says Jenny Katz, "We used to have to spend ten minutes explaining what pizzas were before we'd get a sale."

Business blossomed. At first, their stamping ground was delicatessens in North London and the Fulham Road. Later they approached the supermarket groups. Still business blossomed, so that by 1974 they had gone solo on pizzas, bidding a reluctant farewell to the rest of the range.

The bakery served them well enough until 1977 when, bursting at the seams, they bought a second plant at Wealdstone. By now, production was running at 60,000 pizzas a week. Still business grew, so that by the following year they were ready for their first really big investment: a sum of £160,000, spent on a vast converted factory in Wembley, an advanced, semi-automated pizza-making plant from Baker Perkins, the Rolls-Royce in the pizza-making field, and new packaging lines and labelling machines.

Turnover has doubled in just 17 months, and most of the big supermarket chains now stock their pizzas, which include a Country Pizza, with a wholemeal base, and a Super Pizza.

Their secret, they say, is insistence on freshness and natural ingredients: their pizzas leave the factory on the day they are made. It is a three-woman board: Jenny Katz looks after sales, Vivienne Flower after machinery and production, and Nita Koppel handles buying. In all, they employ a staff of 65.

There now, chauvinists. Are you still sitting comfortably?

Roger Taylor

Pizza queens Jenny Katz, Nita Kopell and Vivienne Fowler.

Pulling the rug from under

Carpet and rug dealers are like economists — they all have different views. Some dealers exhibiting at the recent Overseas Import Fair in Berlin — a yearly showcase for consumer goods from the Third World — said the supply of Afghan carpets had started to dry up since the USSR's invasion at the beginning of the year. Others claimed supplies are just as they have always been.

But the two views may not be wholly contradictory. What seems to have happened is that dealers stocked up before the invasion and are still releasing the goods. At the same time those who wish to leave Afghanistan can take with them only about $150 (£62), so they have been smuggling out carpets to turn into cash later. That has brought more supplies to the market — at least for the moment.

Yet supplies could still be drying up. One dealer noted that many of the high quality pieces came from areas near the Afghan-USSR border, not from factories but from looms in cottages. Many of the weavers have departed, their villages destroyed.

At any rate, a crisis of supply could be developing for the private collector, if he has not been priced out of the market over the past five years. According to one dealer, antique Caucasian style rugs have risen in price by up to 40 per cent this year. Pointing to an intricately woven piece about three feet long and two feet wide, the dealer said the current price is DM3,500 (£815). Last year it would have been nearer DM 2,500.

Even before the invasion, scarcity was pushing prices upwards, but now old carpets — 60 years or more — many of which are in the Afghan countryside, are simply not finding their way to Kabul en route for the European markets. "The ways are not sure," one Afghan delicately put it.

There is in any case a problem with old rugs and carpets. Shortage has heightened the temptation for more unscrupulous sellers, and, according to the dealers at the Berlin fair, there are places in the UK and West Germany where new pieces are washed, softening the characteristic deep red of the Afghan product, to make them look older.

But if there is any consolation for the potential buyer it is that prices at London auctions may well be cheaper than the prices prevailing in Kabul.

Advent of the telethon

One of the few aspects of American television with which British viewers are not yet intimately familiar is to be introduced to our screens next month by Thames Television. The "telethon" is a method of fund-raising for charity by means of a television spectacular of inordinate length, during which viewers are encouraged to telephone the studio to pledge donations sponsoring elements of the entertainment.

It is a technique which has proved hugely successful in the United States, notably the annual telethon hosted in Las Vegas by comedian Jerry Lewis to raise money for muscular dystrophy research. Thames schedules Britain's first such event for October 2 and 3, when in the course of a 24-hour TV marathon, which takes over the Thames channel completely, cash will be raised for a variety of children's causes.

The Thames Telethon will include 15 hours of live entertainment from the Wembley Conference Centre, where assembled celebrities including Rolf Harris, Joan Shenton and Jimmy Young will supervise the task of coaxing money out of their audience's pockets.

A taste of the razzamatazz which accompanies this sort of event was given last week at Sothebys, where a "celebrity auction" was held to put the first cash in the telethon coffers. Television personality and author Frank Muir presided over the disposal of an odd assortment of offerings, including most famously the stetson hat of Dallas's "JR."

The auction raised a total of £15,745, helped along by the urbane efforts of Sothebys auctioneer Richard Came, the undisputed "star" of the evening. Under the hammer went the spectacles worn by Clark Kent in the film "Superman" (£45), a jacket belonging to singer Neil Diamond (£130), and a shirt from pop star Debby Harry (£70).

It was a prolonged evening, and there were quiet moments in which lots went at prices that looked to the unpractised eye like fair bargains. A place in four rounds of the Bob Hope Palm Springs Golf Classic, with a clutch of grandstand and season tickets plus celebrity dinner, fetched £2,000, some £500 less than its estimated value. A fortnight's luxury holiday for two in Oregon went for a modest £1,250.

The auction-room crowd also had some rather unconventional ideas about the value of the art on offer. A custom-written autograph poem by Pam Ayres fetched £165, while the original David Hockney art work for the menu of Langan's Brasserie fetched a mere £220, only £60 more than the price paid for a watercolour by Dirk Bogarde.

Thames is keeping an open mind on how much its efforts may finally raise. "The sky," Joan Shenton told the Sothebys audience, "is the limit." The only comparable British promotion has been on commercial radio, where Capital Radio's Help A London Child appeal raised over £100,000 this year. The telethon proceeds will be administrated by the Thames Help Trust, chaired by WRVS chairman Lady Pike.

Contributors:
Michael Thompson-Noel
Paul Cheeseright
Robert Cottrell

Economic Diary

TODAY: U.S. and Japanese negotiators meet in Washington on Government contracts.

TOMORROW: Liberal Party assembly opens, Blackpool (to September 13). International Hardware Trades Fair opens, Olympia (to September 12).

MONDAY: Department of Trade publishes details of hire purchase and other instalment credit business (July) and gives July final figures for retail sales. Wholesale price index numbers (August provisional) from Department of Industry. Ergonomics and Transport conference opens, Swansea (to September 12). Centre for Policy Studies statement on pensions and index linking. Canadian political leaders meet to discuss constitution, Ottawa (to September 12).

TUESDAY: UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-August), London clearing banks' monthly statement (mid-August). Central Government transactions (including borrowing requirement) (August). Housing starts and completions (July). Society of Motor Manufacturers and Traders and Japanese Automobile Manufacturers Association start two days of talks in Tokyo on economic outlook.

WEDNESDAY: Department of the Environment publishes second quarter figures of construction output. Mrs. Margaret Thatcher attends first annual dinner of Now! magazine. Energy ministers of Mexico, Argentina, Brazil, Venezuela, Colombia, Ecuador, Dominican Republic and Costa Rica, start two-day meeting in Caracas to discuss an inter-American energy co-operation programme.

THURSDAY: Sir Geoffrey Howe, Chancellor of the Exchequer, speaks at Association of Metropolitan Authorities conference, Manchester. Sir Peter Masefield, president elect, opens the International Federation of Airworthiness annual conference, London (to September 13). London Tourist Board's annual meeting. Sir Henry Plumb opens British Veterinary Association annual congress, York (to September 14).

FRIDAY: Department of Employment publishes the retail prices index for August. Central Statistical Office issues the tax and price for index for August; publishes the 1980 edition of the Blue Book on National Income and Expenditure. Usable steel production figures for August. Building societies' monthly figures for August. Mr. Peter Walker, Agriculture Minister, visits Venezuela.

A. Stanley profits drop 35% to £0.8m midway

TAXABLE profits of A. G. Stanley, home decoreting malerials group, dropped by 35 per cent from £1.24m to £808,122 for the six months ended June 28, 1980. Turnover went ahead to £23.91m, the comparative total of £15.33m excluding aoy contribution from Morris and Blakey, acquired in August, 1979.

Mr. Malcolm Staoley, chairman, blames other traders who experienced trading problems and started to de-stock with "irresponsible price cutting" of branded psints.

He says the group had no alternative but to react to these prices.

"The second quarter is a peak period for paint sales and this together with the greatly reduced profit margio oo these products is the sole reason for our shortfall in profits," he states.

Sales lo the first two mooths of the second half have been satisfactory and the group is attaioiog its sales budget which makes full allowaoce for current inflalioo, the chairman says.

He adds that running costs have been well contained, as a percentage of sales, and lhat stores opened and refitted during this period are trading successfully.

Profits for the whole of 1979 were £2.6m.

Profits for the six months were struck after much higher depreciation of £668,684 against £268,672, and interest this time, of £63,873, and were subject to tax of £232,000 compared with £398,500.

The interim dividend is maintained at 1p net per 5p share, absorbing £201,070 (£199,560)—last year's final payment was 1.5p.

Mr. Stanley says that in many respects the half year was extremely satisfactory. Group volumes were good and its market share was increased, and overheads were well contained as a percentage of turnover. "And our stores found a greater acceptance with the public."

The purchase of a wallpaper mill, in August, at Holmes Chapel for £1.4m cash, to ensure cootinuity of supplies, flexibility and control of design and colour, will be of great benefit to the group, he states. But not significant contribution is anticipated from this operation during the current year.

Lex, Back Page

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Abbey Panels	int.	1.3	Sept. 26	1.3	—	2.8
Derek Crouch	int.	1.63	Oct. 31	1.48	—	4.59
David Dixon (Leeds)		Nil	—	9.6	Nil	9.6
Esperanza		4.2	Oct. 28	4.2	6.7	6.4
Home C'nties News.	int.	1.75	Oct. 27	2	—	6.5
House Prop. Co. Lon.	int.	1	Oct. 15	—	—	4.5
Myson Group	int.	1	—	1.5	—	3.8
Raybeck		3.17	Oct. 15	2.87	4.3	4
A. G. Stanley	int.	1	Oct. 23	1	—	2.5
Surmah Valley		2.25‡	—	3.5	2.25	3.5

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Subject to receipt of funds from Bangladesh.

Surmah Tea falls and cuts payout

TAXABLE PROFITS of Surmah Valley Tea Company fell from £159,531 to £73,026 in 1979, on lower turnover of £704,113 against £847,178.

The annual dividend is reduced to 2.25p (3.5p) net and is subject to the receipt of funds from Bangladesh.

Earnings, after tax of £22,885 (£89,294), are shown as 6.27p (8.78p) per share.

Esperanza slips to £3.13m

TRADING conditions at Esperanza in the second half of the year to March 31, 1980, were not as favourable as had been anticipated, particularly in the UK, and pre-tax profits for the 12 months fell from £3.85m to £3.13m.

Nevertheless, bad it not been for exceptional losses arising out of the settlement of a claim against the company's subsidiary Caleb Brett and closing costs of the holiday lour business acquired wilh Gellatly Hankey, taxable profita would have been greater by some £1m.

On the proposed distribution basis, earnings per 12½p share are given at 8.9p (14.3p).

The directors report that UK trading in the first few months of the current year has been difficult. However, based on present trading conditions, they anticipate a satisfactory result for the year as a whole.

Myson slumps into losses at midway: warns on second half

A SEVERE fall off in demand in the second quarter has significantly affected the performance of the Myson Group and for the first half of 1980, losses of £236,238 have been incurred against profits of £1.13m in the same period last year.

Current high interest rates, strong sterling and under-utilisation of manufacturing facilities will affect second half results and the directors are not optimistic about the full year outcome.

The interim dividend is cut from 1.5p to 1p per 10p share—the previous total was 3.8p when pre-tax profits were £2.1m.

Turnover of the group, heating, air conditioning and heat transfer equipment manufacturer, amounted to £29.3m against £28.55m. The directors say it now appears that the low point io demand, caused primarily by severe destocking in the UK residential heating market, has been passed and there has been a gradual recovery to more reasonable sales levels.

An early fall in interest rates coupled with a greater use of manufacturing capacity in a traditionally strong sales period would materially affect the year's results, the directors add.

● comment

In anticipation of the steel strike and higher turnover this year, central heating equipment manufacturers, Myson, built up stocks by 33 per cent to £20.1m at the end of 1979. Then, based on strong demand in the first quarter, it ordered imported steel which arrived in the second quarter when demand collapsed. The already highly geared group—borrowings stood at 84 per cent of shareholders' funds at the end of 1979—thus faced still higher interest charges that pushed the interim pre-tax result on roughly similer turnover from £1.13m profit to a £236,000 loss. A high depreciation charge, £0.8m in the whole of 1979—means the group can still pay its bills from cash flow and even a minor improvement in sales in the second half could bring the company back into profit. The group clearly needs to expand its equity base but the shares, at 53p, down 5p yesterday, are so far below net asset value of about 140p that the balance sheet is unlikely to improve much in the near term.

BIDS AND DEALS

Cornell shares double on speculation of bid

A SMALL lossmaking East London dress company was at the centre of a minor mystery in the City yesterday when shares of Cornell Dresses moved sharply abead on news that a private Jersey-based company was thinking of making a bid.

From an opening level of 26p, the thinly traded shares shot up to close the day at 52p. This was considerably higher than the 19p at which Azanio Investments (Jersey) said it might bid.

Cornell'a directors and members of their families and family trusts bave irrevocably undertaken to accept an offer made by Azania, or procured by it, by November 29. The shares committed to Azania represent nearly 57 per cent of the shares, but the identity of the poteotial bidder has not been revealed.

Mr. Samuel Cohen, the chairman of Cornell, which lost £53,000 in the first half of 1980, declined to throw any light on to who was behind Azania. "I can make absolutely no comment at all." As for current trading, be said it was reasonably satisfactory now" but the future outlook is not particularly good."

Cornell said it wanted to make clear that Azania had merely indicated that it was considering making an offer, and that it was not now committed to hidding at 19p a share or any other price. It added that nothing more was expected to happen until Azania decided whether or not to make an offer.

The situation put some market observers in mind of Polly Peck, the ladies' fashion group in which Mr. Asil Nadir bought 85 per cent through a Jersey-based company io February.

B & Q NEEDS SUPPORT TO EXPAND

The chairman of B & Q (Retail), the do-it-yourself group that is the object of an agreed £15.6m agreed bid from F. W. Woolworth, has revealed that sales in the first half of the current year rose only 12 per cent, excluding those from Superstores established since the comparative period.

"With inflation still running at around 17 per cent, we have had to modify substantially our expectations for the current year," Mr. D. A. Quayle says in a letter accompanying the official bid circular.

He adds that financial support of Woolworth would enable the group to support a greater rate of Supercentre openings than it would have been able to do on its own during a period of recession.

Irrevocable undertakings to accept the offer bave been given by holders of 57.5 per cent of the B & Q shares. The offer is 85p cash for each B & Q share, or an equivalent amount of Woolworth loan stock, if requested.

Terms of the loan stock were explained in the circular. Issued in multiples of £1, they will earn interest of 9 per cent annually payable in balf-yearly instalments and are due on April 30, 1981. They will be redeemable on each interest payment date and will not be transferable or be listed on any Stock Exchange.

Petrocon builds stake against possible NCC energy attack

FOLLOWING July's "dawn raid" by Mr. Graham Ferguson Lacey's National Carbonising — now known as NCC Energy—the directors of Petrocon have moved to protect their company's flanks.

Petrocon's chairman, Mr. Peter Hodgson and fellow director Mr. James Pound, now own nearly 25 per cent of the shares following a deal made by a company in which they have a majority interest.

NCC Energy has 29.9 per cent of Petrocon, which makes equipment for the oil and petrochemical industries, and Mr. Hodgson said a meeting would be held with Mr. Ferguson Lacey late next week to try to discover more about his intentions.

Through their company, Madgel, Mr. Hodgson and Mr. Pound bave bought the holding of 750,000 sbares owned by John Swire at 42p each for a total of some £315,000. This represents around 12.7 per cent of the Petrocon shares. They already own a substantial stake in Petrocon through trusts.

Mr. Hodgson said he was concerned by the manner in which Mr. Ferguson Lacey's company had acquired its shares in Petrocon. "I would like to know what is in his mind."

Petrocon also released interim figures yesterday showing a pre-tax loss of £46,000 against a profit of £309,000 in the first half of 1979. This is increased to a £160,000 loss (previous profit £193,000) after tax—including £102,000 provided against anticipated stock relief clawback not previously claimed—and extraordinary items. Turnover rose from £6m to £6.75m.

The company said the elimination of loss-making activities and improvement of group efficiency had continued to be the priority. Costs of £145,000 were incurred in closing down unprofitable businesses and in redundancy cbarges.

Petrocon is not declaring an interim dividend, but intends to pay a final if operations keep up their current progress.

TATE & LYLE TAKING UP REDPATH ALLOTMENT

Redpath Industries is offering $25,000 9 per cent convertible voting preference shares in all provinces of Canada. Concurrently, Tate and Lyle, Redpath's largest shareholder, will subscribe for an additional 601,361 convertible voting preference shares. Net proceeds from these issues will amount to some $25.6m.

The shares will be issued at $18.50 per share and will be convertible into common at any time on the basis of one for one. The preference shares will be entitled to dividends of $1.665 per share per annum.

The issue will be underwritten by a syndicate of investment dealers managed by Wood Gundy.

H.S. CANADA

The Canadian Government has allowed Hawker Siddeley Canada to acquire control of B and K Machinery International of Mississauga, Ontario, a manufacturer of forming and processing equipment for around £1m. The deal is likely to go ahead in a few months time.

RACAL

Mr. Ernest Harrison, the chairman of Racal Electronics, has sold 50,000 shares in the company. At the end of March this year, his shareholding was 1.02m, according to the annual report.

DARES/STANHOPE

Dares Estates says the offer for Stanhope General Investment Company has been accepted in respect of 1,277,063 ordinary shares (99.71 per cent) and 27,653 preference shares (92.17 per cent). Both offers remain open for acceptance for a further period of 14 days.

W. Goodkind to purchase Parkdale for £349,000

W. Goodkind and Sons, the fur manufacturer and distributor, is proposing to buy Parkdale, a private financial planning services company, through a share exchange which values Parkdale at £348,750.

At the same time, Goodkind announced a loss for the first half of 1980 of £3,256. The company is publishing interim figures for the first time but it estimates that the first six months of last year would bave shown a loss of over £40,000. Goodkind makes most of its sales and profits in the second half and reported a profit before tax of £21,759 for the whole of 1979. Figures for the first six months of 1980 exclude a loss of £38,472 from a subsidiary which has since been sold.

The acquisition of Parkdale will be effected by a recommended offer on the basis of 75 Goodkind ordinary shares for every one Parkdale ordinary. The offer, which is conditional on approval by shareholders of both companies, will involve the issue of 1,125,000 new Goodkind shares. Irrevocable undertakings for 47.5 per cent of Parkdale votes have already been received by Goodkind.

In addition, Mr. F. J. C. Lilley is proposing to subscribe for 375,000 new Goodkind ordinary shares at 26½p per share. This deal, which is also conditional upon shareholders' approval but not on the offer going unconditional, would raise £100,000. Mr. Lilley is joining the Goodkind board along with Mr. N. A. McMahon Turner, Parkdale's chairman. Together with the existing Goodkind directors, they will control 31.98 per cent of the enlarged capital.

Goodkind had first-half sales of £126,021, compared with £421,810 for the whole of last year. A recent rent review will increase its annual rental income from £69,000 to £129,000 with effect from July 30 this year. Parkdale made pre-tax profits of £39,396 in the year ended April 30 and net tangible assets at that date amounted to £242,021. Parkdale's two freehold properties will increase Goodkind's freehold and long leasehold investment property portfolio to about £1.3m.

Rantlodge sells two major shareholdings

Rantlodge has disposed of its holdings of 3.77m D. M. Lancaster ordinary and 4.44m Nationwide Leisure ordinary.

These holdings have been acquired as to 50 per cent by SMS, Swiss Metalworks Selve International, a company owned by the family of Mr. Werner Rey and 50 per cent by UBI Service Industry Holdings SA who are shareholders of Rantlodge.

There has been therefore no change in the ultimate beneficial ownership of these holdings.

Alpha oil-shale hopes give boost to Greenvale

SHARES of Australia's Greenvale Mining and Esperance Minerals both moved up 5 to 220p and 270p respectively yesterday following remarks by Mr. L. White, chairmen of Alpha Resources, that production from the Alpha oil-shale deposit in Queensland is envisaged within three years.

Greenvale and Esperance jointly hold 71.43 per cent of Alpha Resources, while the remaining 28.57 per cent is owned by a number of small sbareholders. Mr. White is also chairman of both companies.

Mr. White said the Alpha deposit contained an estimated 8.5m harrels of oil and initial production of 2,000 to 2,500 barrels a day was currently contemplated. Alpha would decide within the next three months on which retort system it will use at the site.

Feasibility studies were being carried out on retorts available from two U.S. companies and from West Germany's Lurgi group. Mr. White declined to name the American companies but said the equipment being considered would cost between A$10 and $30m.

Queensland contains a number of oil-shale deposits, the most important being the huge Rundle fields owned by Central Pacific Minerals and Southern Pacific Petroleum.

In July CPM and SPP signed an agreement with America's Exxon Corporation whereby the latter will fund the construction of a pilot-plant to produce 15,000 to 18,000 barrels of oil a day from 1985. Rundle is estimated to contain more than 2bn barrels of oil and if it reaches full production could be producing between 180,000 to 240,000 barrels a day.

Greenvale and Esperance, two of the best performers in Australian markets this year, are also involved in exploration for oil-shale at Nagoorin, where in partnership with the Rundle twins they recently encountered a continuous section of oil shale to a depth of 687 metres in one hole. No details of drilling results from the second hole have been announced.

Raybeck falls in second half

WITH THE customary improvement in second-half profits not materialising—the contribution dropped from £4.27m to £2.56m—results of Raybeck, ladies' and men's wear group, were not up to directors' expectations for the year ended April 26, 1980.

On turnover ahead from £95.8m to £99.4m taxable surplus finished the period down at £5.58m compared with £7.76m, the directors putting the blame mainly on the economic climate and the continuing decrease in numbers of tourists, particularly in the West End of London.

Although thay feel it is more difficult than ever to predict the future, they are confident the company will resume its trading pattern of growth and profitability when normal conditions return.

Tax for the year took £1.89m against £3.36m and although earnings per 10p sbare are down at 9.01p (11.43p) the dividend is lifted to 4.3p (4p) net with a final payment of 3.169p, in view of the underlying strength of the company and its strong liquidity, the directors state.

After an extraordinary credit of £113,000 (£1.17m), which was after writing off £2.81m against goodwill on consolidation, and minorities of £30,000 (£35,000), the balance came through at £3.79m compared with £5.53m.

All steps are being taken to improve trading efficiency in order to take advantage of the revival of trade, "which we think we can look forward to in the year 1981-82," say the directors.

● comment

Even Raybeck is not immune to the evaporation of tourism and consumer spending which virtually eliminated House of Fraser profits this week. The group has suffered its first full-year profits decline since it went public in 1964 and the second half, with profits down 40 per cent, has driven the message emphatically home. Yet even in the second six months margins were a respectable 5 per cent and the balance sheet shows net cash of £6m, mostly due to the Bournes sale and lease-back, so matters could be a lot worse. The asset backing is close to yesterday's share price of 71p and would increase to about £1 if the Bournes lease were included. With both retailing and manufacturing likely to remain under pressure for the time being, Raybeck may well be looking for growth through acquisition. Certainly the p/e of 7.4 on reported earnings presumes that the former profits trend will be resumed, albeit at a slower rate. The increased dividend is covered almost 1½ times by historic fully-taxed earnings so the yield of 9.2 per cent looks in no danger.

Abbey Panels up midway

TAXABLE PROFITS of Abbey Panels Investments expanded to £602,476 in the six months to March 31, 1980 compared with £365,150 for the corresponding period, and £609,341 for the whole of last year.

But despite this satisfactory first half, says Mr. E. Loades, chairman, there has latterly been a dramatic cut-back in orders and worse, in the board's view, a downturn in inquiries throughout all companies.

He is confident, however, that a period of determined management will bring the group through this trying time.

First-half sales of the group, which engages in prefabrication of sheet metal units, press work, machining and toolmaking, increased from £3.85m to £6.2m. Tax takes £313,288 (£189,880) leaving £289,188 (£175,270).

The interim dividend is held at 1.3p net and the chairman and two joint managing directors are waiving their entitlement. Last year's dividends totalled 2.8p.

Derek Crouch improves to £1.2m at six months

PROFITS of Derek Crouch, open-cast mining, construction, mechinery and equipment sales group, rose from £1.03m to £1.18m in the first balf of 1980 on higher turnover of £30.25m against £23.16m.

Stated earnings per share are 5.63p against 5.2p and the interim dividend is lifted from 1.4793p to 1.63p—last year's total was 4.5951p on pre-tax profits of £1.39m.

The directors feel the interim results are satisfactory, bearing in mind the difficult trading conditions. Interest rates in particular made borrowing in the U.S. expensive in the early part of the year and still doing so in the UK.

Interest charges in the first half were £1.07m against £674,000 in the same period last year. After tax of £822,000 (£580,000 and crediting minorities of £187,000 (£60,000) attributable profits were £546,000 against £505,000.

Cadgerhall, the group's new opencast site in Scotland has just started producing coal, Togston in Northumberland, which was opened up last year, is going well, and the group is into full production again in South Wales after the industrial dispute last year, the directors report.

Crouch has also won a contract for an extension of the Acklington site in Northumberland which it has been working on contract from the opencast executive of the National Coal Board for six years.

The new contract involves winning approximately 800,000 tonnes of coal over the next five years, and the total value is in excess of £12m.

Home Counties News

As expected, considerably lower profits are reported by Home Counties Newspapers for the first six months of 1980 and the directors now feel it would be imprudent to expect any significant improvement in the second half.

The first half pre-tax profit is cut from £603,000 to £206,000 on turnover of £5.39m against £4.66m. CCA profits show a drop from £467,000 to £51,000.

At the annual meeting in May, Mr. R. W. Gibbs, chairman, said that there was a squeeze on profit margins particularly on papers outside London. The first half results, he now reports, reflect the continuing downturn in the state of the economy with high wage settlements not being recovered from revenue.

Stated earnings per 25p share have slumped from 10.88p to 3.48p and the interim dividend is being reduced from 2p to 1.75p—last year's total was 6.5p on record pre-tax profits of £1.32m.

Kellock on target but factoring growth slows

FIRST HALF profits in line with forecast are reported by the directors of Kellock Trust, although they warn that the increasing effect of the economic recession on the level of business written by the principal subsidiary, Kellock Factors, has become more noticeable over the past month.

The pre-tax surplus of Kellock Holdings, which was acquired by Kellock Trust under a scheme of arrangement on July 25, rose from £67,040 to £97,510 in the six months to June 30, 1980, at which time Trust had not commenced trading.

Mr. J. K. Laurence, the chairman, says it is too early to attempt to quantify the outcome of the change, which at the moment represents only a slowing down in the anticipated rate of increase of Factors' business.

On June 30 the group increased its investment in Factors by subscribing for 250,000 variable rate preference shares of £1 for cash at par. At the end of the year it is intended to commit the £500,000 raised from the July placing of 13¾ per cent cumulative preference shares to increase further Factors' capital to meet funding requirements arising from the increase in the level of its business.

Turnover in the first half went ahead to £23.04m (£15.83m) and the surplus was subject to tax of £8,957 (£7,491).

After minorities of £1,886 (£4,411) there is an extraordinary debit this time of £22,500, representing final settlement of the liability resulting from the sale last year of H. Morris and Sons.

Attributable profit emerges at £64,167 (£55,138), of which preference dividends absorb £20,900 (£17,480). Earnings per share and per loan stock unit are shown as 3.33p (1.91p).

SEASCOPE HLDGS.

Seascope Holdings, the insurance broker with Lloyd's interests, is forming a new company, Bankscope Insurance Services.

This will act independently of, but will utilise, the main services of the group and is intended to provide a full range of insurance and consultancy services exclusively for banks and lending institutions.

SPAIN

September 5	Price %	+ or −
Banco Bilbao	228	
Banco Central	261	+5
Banco Exterior	210	
Banco Hispano	229	
Banco Ind. Cat.	120	
Banco Madrid	141	
Banco Santander	265	+3
Banco Urquijo	136	
Banco Vizcaya	240	
Banco Zaragoza	220	+6
Dragados	109	+1
Espanola Zinc	70	−1
Fecsa	63	+0.50
Gal. Preciados	33	−0.50
Hidrola	68	+0.30
Iberduero	63.50	+0.50
Petroleos	111	
Petroliber	80	
Sogefisa	107	
Telefonica	81.50	+0.30
Union Elect.	68.20	−0.30

Results due next week

Recent acquisitions, primarily in the UK and U.S., should help to push the interim figures from **Thomas Tilling**, expected on Wednesday, from last year's £28.8m to between £33m and £35m. In the UK, the builders merchanting and construction materials operation will have benefited over the first quarter from good weather and the absence of strikes, but the decline in housing starts will have made itself felt in the next three months. The U.S. figures will clearly suffer from translation at higher sterling rates but Tilling should have escaped the full impact of the recession by its concentration on the still-growing sun-belt area. The interest cbarge will remain high, but much of Tilling's U.S. debt is financed at single-figure interest rates and rights issue proceeds have left the group with sizeable deposits within the UK.

Analysts are expecting a modest increase in pre-tax profits when Standard Chartered unveils its interim showing next Tuesday. Against last year's £86.2m for the first half, the betting is now on a pre-tax level of £90m or more. The group will bave been boosted by a happy situation in South Africa, where it shares the good fortune of others such as Barclays. But sterling's strength will make overseas earnings less buoyant after translation, especially from the Hong Kong operations. Union Bank, which was acquired last year, will chip in only a small amount after finance costs have taken their toll. For the full year the pre-tax profit might be £190m against £169.8m. The interim dividend is not expected to move much beyond last year's 10p net.

An air of uncertainty surrounds the interim figures expected from mustard-to-drugs group Reckitt and Colman, which will reveal its numbers on Tuesday. Yesterday the company announced a set of board changes including the relinquishment of chief executive duties by the chairman. With around three quarters of its business outside the UK, Reckitt and Colman is very sensitive to the strength of sterling. But it has a broad portfolio, with about 40 per cent of its interests in food and wines, a third of the business in household products, 10 per cent in pharmaceuticals and other interests such as industrial cleaning. The interim pre-tax profit could be as low as £23m this year, against last year's £25.2m in the first six months. The dividend, which was 3.5p at the half-way stage last year, may well be maintained.

Bowater continues to enjoy strong markets in North America for its newsprint and despite the approximately 7 per cent appreciation in the dollar-sterling exchange rate since the first half of 1979 interim pre-tax profit in the current year, to be reported on Tuesday, should be slightly ahead, perhaps to £46m. The interim dividend may be held, with any increase coming at the final. The question of a rights issue came up this week as the shares showed some weakness but there is no obvious urgency and there will probably be a better moment later in the year when the group's strong profit performance will stand out more prominently against the bleak norm for British manufacturing companies.

Despite the new chairman's warning that 1980 would be a difficult year, BICC is expected by analysts to show some improvement over the £27.9m pre-tax profit earned in the first half last year when it publishes its interim figures on Tuesday. The range is from £31m to £36m. Metal Manufacturers in Australia has continued to do well and BICC Cables should show further benefits from rationalisation. Labour disputes burt the industrial products division last year and so some improvement is expected there while Balfour Beatty should be well ahead. The interim dividend might be raised by 10 per cent to about 3p net.

Even BTR cannot row against the current of recession and analysts expect that demand, especially in the UK, fell off sharply in the second quarter. Still, with a strong first quarter and the comparison with the strike-ridden first half last year, pre-tax interim profits, which are to be revealed on Monday, should be well up on last year's £27.4m, perhaps to £34m. The group has benefited from more than doubled profits in South Africa and the elimination of losses in Australia. The dividend, on the 33 per cent enlarged capital, should be maintained.

After last year's dramatic profits slump, analysts are far from optimistic about the interim figures from Turner and Newall, due on Thursday. Profits are likely to total around £12m, compared with £18.8m last time, but this figure will include perhaps £6m from Zimbabwe, so the underlying trend is very uninspiring. In the UK, engineering components will have experienced a very poor six months, and chemicals will also have suffered, particularly on the PVC side. Many of T and N's export products are very price sensitive so the strong pound may have reduced the export contribution to about break-even. With a high interest charge and heavy redundancy payments to support, the figures should be sufficiently bad to place the interim dividend in doubt.

Many other large and important companies are reporting results next week. Among those whose preliminary figures are expected are Harrisons Malaysian Estates on Wednesday and Guinness Peat on Thursday. Interim results are due on Tuesday from S. Pearson and Son and Pearson Longman, on Wednesday from Carpets International, Lead Industries, Babcock International, P & O and BSR. On Thursday from Prudential Corporation, Bridon, Hepworth Ceramic, United Biscuits and Sedgwick and on Friday from BL.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Cantors	Friday	0.825	1.475	0.825
Clark (Matthew) and Sons Holdings	Monday	1.8	5.5	2.0
Douglas (Robert M.) Holdings	Wednesday	0.9685	3.2	1.1
F and C Eurotrust	Tuesday	—	1.2	—
Guinness Peat	Thursday	2.25	4.0	2.75
Harrisons Malaysian Estates	Wednesday	1.5	5.0†	2.5
KCA International	Thursday			
Land Investors	Tuesday	0.2	0.8	0.2
Meynards	Thursday	1.694	5.806	1.875
Melody Mills	Monday	—	3.0	1.0
Murray Caledonian Investment Trust	Monday	0.5	1.3	1.0
Sobranie (Holdings)	Tuesday	0.67	1.15	0.7
Staffordshire Potteries	Tuesday	1.13	3.87	1.13
Zetters Group	Tuesday	—	1.9	0.75
INTERIM DIVIDENDS				
Allen Harvey and Ross	Thursday	10.0	11.5	
Appleyard Group of Companies (The)	Friday	2.25	2.0	
Babcock International	Wednesday	3.4	3.6	
Benro Consolidated Industries	Wednesday	0.575	2.425	
Barton and Sons	Tuesday	1.27273	2.0	
Beatobell	Tuesday	4.5	6.5	
BICC	Tuesday	2.75	5.82	
Biddle Holdings	Wednesday	2.4	6.2	
Bowater Corporation (The)	Tuesday	4.25	7.25	
Bramall (C. D.)	Monday	2.05	3.2078	
Bridon	Thursday	2.3	2.7	
British Vita	Wednesday	2.4	2.6	
BSR	Wednesday	1.4129	1.4129	
BTR	Monday	4.125	4.5	
Carlton Industries	Monday	4.0	8.0	
Carpets International	Wednesday	1.75	0.75	
Coalite	Wednesday	1.5	2.0	
Danish Bacon	Tuesday	4.0	3.5	
Dorada Holdings	Wednesday	2.1	3.37	
Farmer (S. W.) Group	Tuesday	3.069	6.1	
Goodland Doggart Group	Friday	1.75	2.7	
Hepworth Ceramic Holdings	Thursday	2.25	2.75	
Highcroft Investment Trust	Thursday	1.0	1.25	
Jones (A. A.) and Shipman	Wednesday	0.925	2.6	
Lead Industries Group	Wednesday	3.7	5.96	
Leyland Paint and Wallpaper	Wednesday	1.0	2.0	
London United Investments	Monday	4.0	5.0	
Lyon and Lyon	Thursday	2.5	4.5	
Magnolia Group Mouldings	Thursday	0.6	1.5	
Metal Closures Group	Monday	2.2	3.2	
Monitord (Knitting Mills)	Wednesday	1.275	5.725	
Newbold and Burton Holdings	Wednesday	1.4	2.38	
Nurdin and Peacock	Wednesday	1.5	2.1	
Pearson Longman	Tuesday	3.75	4.605	
Pearson (S.) and Son	Tuesday	3.75	8.25	
Peninsular & Oriental Steam Navigation	Wednesday	3.0	4.0	
Pentos	Tuesday	1.4	2.625	
Portals Holdings	Wednesday	4.25	6.75	
Prudential Corporation	Thursday	3.5	6.0	
Reckitt and Colman	Tuesday	3.5	5.0	
Rosedimond Investment Trust	Thursday	2.5	3.45†	
Sedgwick Group	Thursday	2.0	3.0	
Small (John C.) and Tidmas	Tuesday	2.0	2.0	
Spencer (George)	Thursday	0.8	2.28432	
Standard Chartered Bank	Tuesday	10.0	16.0	
Taverner Rutledge	Thursday	—	—	
Tilling (Thomas)	Wednesday	3.0	4.0	
Turner and Newall	Thursday	4.5	7.0	
United Biscuits (Holdings)	Thursday	1.7	2.0	
Wilson (Connolly) Holdings	[illegible]	[illegible]	[illegible]	[illegible]
INTERIM FIGURES				
BL	[illegible]			
Collins (William) & Sons Hol[illegible]	[illegible]			
Hewitt (J.) and Son (Fenton[illegible]	[illegible]			

* Dividends shown per [illegible] scrip issue. † Second interim [illegible] and includes two non-recurring dividends of 0.59p and 0.29p.

هكذا من الأصل

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Coral Leisure, the troubled holiday camps-to-gambling concern received a surprisa £85m offer from Sir Maxwell Joseph's Grand Metropolitan empire. The share-exchange terms of 13 Crand Met for every 20 Coral bave been recommended to shareholders by the latter'a board, and full acceptance will result in the issue of nearly 55m Grand Met shares. Coral, a mooted takeover target since police raids last November put the renewal of its casino licenses in jeopardy, has been attempting to sell off some of its assets, including a controlling stake in the Centre Hotels chain to the Indian Taj Group for around £27m, negotiations for which are continuing. The Pontins subsidiary was also said to be interesting a number of suitors, notably Bass. The offer is conditional on clearance from the Office of Fair Trading. The combined group would own around 1,300 bookmaking shops, still not the largest network in the country, and Mr. Stanley Grinstead, Grand Met's managing director, does not envisage the bid being referred to the Monopolies Commission.

Six weeks after an initial approach for building contractors Higgs and Hill was severely rebuffed, BICC, under a certain amount of pressure from the Takeover Panel and institutional shareholders, has indicated its willingness to offer 110p per share cash, valuing Higgs and Hill at £9.8m. Any such offer is, however, conditional on a joint auditors' report to confirm net tangible assets which were last published at £12.3m. BICC has stated it would be prepared to go ahead with the offer if the assets were revealed to be within £2m of that figure. Higga and Hill describe the precondition as "unreasonable."

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
B & Q Retail	85*	81	66	1.66	F. W. Wlwrth.	—
Christy Bros.¶¶	30*	40	33	0.60	Simon and Cotes	—
County and Dist. Props.	190*	186	195	16.35	Costain	—
Coral Leisure	99½	91	65½††	83.94	Grand Met.	—
Kayser Bondor	100*§	46	56	0.67	Courtaulds	—
Lidstone	280*	305	290	0.51	Security Exchange	—
Macanie (Lond.)	30*	30	23	0.38	Courtaulds	—
Marshall Cavendish¶¶	31*	31	27	4.60	Times Publshg. Berhad	27/8
Progressive Secs.	112†‖‖	108	91	2.51	Hawley Leisure	—
Revertex	51§	46	44	7.26	Yule Catto	12/9
RTD	5½*	10	6½	0.12	Simon and Cotes	—
Tanjong Tin	115*§	117	115	1.20	Pahang Cons.	—
Wilkinson Match	187*§	180	160††	28.73	Allegheny Ludlum	15/9

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on 5/9/80. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ‖‖ Based on N.A.V. 104.8p.

Rights Issues

Laganvale Estate: Rights Issue on the basis of one for two at 30p per share to raise £0.956m†.

† Approximate figure before expenses.

Scrip Issues

Aeronautical and General Instruments: One for one.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Apex Properties	Mar.	691	(528)	3.3	(2.4)	2.0	(1.6)
B.E.T.	Mar.	71,060	(67,640)	24.4	(24.1)	7.57	(7.57)
Diploma	June	7,080	(6,060)	29.5	(25.4)	9.5	(8.0)
Excalibur J'lery.	Apr.	1,050	(882)	3.0	(4.6)	1.19	(1.12)
Grimshawe Hldgs.	Apr.	192	(170)	11.0	(10.6)	3.0	(2.0)
Linfood Hldgs.	Apr.	10,210	(7,550)	23.1	(18.0)	11.0	(9.75)
Rowland Gaunt	June	8	(12)	1.8	(5.3)	—	(1.5)
Streeters Gdlmg.	Dec.	1,000L	(230)	—	(—)	—	(—)
Whitworth Elec.	Mar.	614	(406)	15.6	(11.2)	1.31	(1.05)
Wilson Peck	Mar.	34L	(52)L	—	(—)	—	(—)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Beattie (James)	July	1,020	(1,390)	—	(—)
Black Edgington	June	265L	(1,200)	—	(2.2)
Blackwood Hodge	June	3,824	(4,337)	1.0	(1.0)
B.P.	June	876,000a	(622,000)a	6.25	(5.5)
Britannia Arrow	June	955	(817)	—‖	(0.7)
Cad. Schweppes	June	21,000	(21,700)	1.2	(0.95)
Charterhouse Gp.	June	7,564	(4,530)	1.76	(1.6)
Church & Co.	June	882	(1,190)	2.5	(2.5)
Costain Group	June	15,250	(17,150)	4.0	(4.0)
Dewhirst (I & J.)	July	911	(780)	0.45	(0.38)
E.I.S.	June	1,060	(902)	1.07	(1.07)
G.R.E.	June	36,000	(31,400)	6.0	(5.0)
Hall (R&H)	June	1,340§	(1,440)§	0.75	(0.75)
House of Fraser	June	1,020	(7,830)	2.0	(2.0)
Hyman (I. & J.)	June	642	(968)	0.41	†0.41)
Invergordon Dist.	June	2,110	(1,850)	1.5	(1.5)
London & Euro.	June	407	(441)	0.7	(0.6)
Macfarlane (Clsn)	June	704	(858)	1.7	(1.68)
Midland Inds.	Mar.	751	(1,000)	1.1	(1.0)
Morgan Crucible	June	6,496	(6,550)	4.5	(4.5)
Nash (William)	July	127	(207)	5.5	(6.5)
Nu-Swift Inds.	June	520	(514)	0.84	(0.84)
N.E.I.	June	12,550	(11,670)	1.25	(1.25)
Pearl Assurance	June¶	4,490‡	(3,050)‡	7.0	(5.0)
Phoenix Assur.	June	16,900	(14,000)	6.5	(5.8)
Pritchard Srvces.	June	1,390	(1,040)	1.0	(0.8)
Provident Fin'cial	June	2,840	(2,660)	2.42	(2.2)
Sharna Ware	June	97	(132)	1.4	(1.26)
Sun Alliance	June	26,400	(15,700)	15.0	(13.5)
Thurgar Bardex	June	195	(174)	0.3	(0.3)
Wedgwood	June	176†	(570)†	—	(—)
Weir Group	June	2,416L	(3,345)	—	(1.55)
Woodward (H.)	Mar.	196	(184)	0.5	(0.5)

(Figures in parentheses are for corresponding period.)

* Dividends shown net except where otherwise stated. † First quarter figures. ‡ Net profits. ¶ Correction. ‖ The directors intend to pay a single dividend in respect of the year. § In IR£. a Net Income. L Loss.

Offers for sale, placings and introductions

Hesketh Motorcycles: Offer for sale of 1.8 million shares of 50p at 80p per share to raise £1.3m.

Inchcape confident of another good year

At the AGM of Inchcape and Company, Lord Inchcape, chairman, told shareholders that "with more than half the accounting year behind us in respect of overseas subsidiaries," he was confident the company was having another good year.

There was no denying, however, that recession had descended on many parts of the western world and although there seemed to be a time lag, this was bound in some degree eventually to catch up in the Far East and South-East Asia from where so much of the group's current prosperity was derived.

Meanwhile, trading conditions for the group in Hong Kong, Malaysia and Singapore had been excellent.

Although it seemed improbable that the tempo in the Far East and South-East Asia of 1980 would be fully carried through to 1981, prospects there, taken all in all, were reasonably encouraging.

Talking about the future pattern of the company's development the chairman said the directors had concluded that, despite the company's strength in the East, the current policy should be to build up the group's strength in UK, Europe, Canada and the U.S., Central and South America, as well as Australia, in order to balance out its international investment portfolio.

Accordingly, they were making or planning further acquisitions in these regions and while they did not expect this growth to be spectacular it would be steady.

PEGLER HATTERSLEY

Holders of £2,376,408 7 per cent loan stock 1989-94 in Pegler-Hattersley have exercised the right to convert. As a result 1,140,676 ordinary shares have been allotted.

After conversion there remains in issue £483,499 of stock.

Optimism at Walter Alexander

Budgets for the current year indicate a further increase in profits, Mr. Walter R. Alexander, chairman of Walter Alexander, tells shareholders in his annual report. But he adds that it is difficult to make a forecast with any degree of certainty.

Profits for the first three months of the year are close to budget and with the exception of the motor trade companies, the chairman is looking for improved performances from virtually all the other activities. He is hopeful that another increase in profits will be achieved by the group as a whole.

Last year, the company, a coach builder and light engineer, made taxable profits 20 per cent higher at £3.31m (£2.76m), as reported on July 28. Turnover advanced 15 per cent to £38.94m. During the year a revaluation of the group's properties was carried out showing a £2m surplus over book value.

Shareholders' funds are given as £17.75m (£13.88m) with bank overdrafts up from £531,000 to £1.45m. Cash and bank balances show a reduction from £204,000 to £17,000.

On a CCA basis, historical profits are reduced to £2.25m (£1.93m).

The company's shares are traded on the market made by M. J. H. Nightingale.

AUDIOTRONIC

Audiotronic Holdings, the hi-fi and audio equipment distributor, says its final accounts for the financial year to March 1, 1980, have been delayed. These are expected, however, to be out by October 17.

In July, the company said it would not be paying the preference dividend due at the end of August. This payment was in arrears from September 1 last year.

Pilkington feels the strain of inflation and competition

BY RHYS DAVID, NORTHERN CORRESPONDENT

All divisions of Pilkington Brothers in the UK were now under very strong pressure from inflation and from overseas competitors anxious to take advantage of the strength of sterling, Sir Alastair Pilkington, the chairman, told the annual meeting in St. Helens yesterday.

Sir Alastair, who was presiding for the last time before retiring as chairman, said the group would need to work hard to keep or improve its current position. Unless the combined effects of wage increases and productivity matched those of competitors, the group would lose competitiveness.

Particular problems were being caused for the safety glass division by the UK car industry's loss of home market to importers. And the decline in building was also affecting flat glass.

Pilkington was expecting increased trade this autumn for its insulation division, as a result of energy price rises, though Sir Alastair said it was disappointing that the Government was reducing its support for local authority and private housing insulation schemes.

The group was expecting major benefits from its link with the German producer, Flachglas, which was acquired in June. The market leader in Germany, where it sold 80 per cent of its output, Flachglas was expected to help fill the gap left by the decline in royalty income from float glass, as patents ran out.

Sir Alastair said Flachglas had successfully rationalised its operations during the 1970s, reducing manpower from 11,000 in 1970 to under 8,000 and was particularly strong in coating, insulation-glazing, solar control, and safety products.

Sir Alastair is to be succeeded by Mr. Anthony Pilkington as chairman of the group. In the year ended March 31, 1980, total group sales were £629m and pre-tax profits £91.4m.

APPOINTMENTS

Chief executive at Reckitt and Colman

Mr. J. A. S. Cleminson, chairman and chief executive of RECKITT AND COLMAN, will relinquish the role of chief executive, while retaining that of chairman on October 1. Mr. J. J. West, currently group director at headquarters for North America and Australasia, will be chief executive. Prior to his present appointment Mr. West was chief executiva of Reckitt and Colman Australia. Three new executive appointments to the board are being made: Mr. G. J. F. Alexander, Mr. P. J. Maydon and Mr. D. A. Totton.

★

The ROYAL BANK OF CANADA has appointed Mr. Rowland C. Frazee chairman and chief executive from October 1 following the retirement of Mr. W. Earle McLaughlin, chairman of the board. Mr. J. K. Finlayson has been made president from October 1. Mr. Frazee has held the position of president and chief executive since January, 1979. In his new position he remains as the executive head of the Royal at its Montreal corporate headquarters. Mr. Finlayson, in his new position as president, continues as the number two executive of the bank with particular responsibilities for the Royal's worldwide corporate banking activities. He transferred to Toronto as vice-chairman in July of this year and he will remain in Toronto as president.

★

Mr. John Poole has been appointed a director of JOHN MOWLEM AND CO. He will be responsible for the Mowlem engineering products division, in which the principal companies are Engineering Laboratory Equipment, and the recent U.S. acquisition, Soiltest Inc.

★

Mrs. Penelope P. Hughes has been appointed company secretary and legal adviser to SKETCHLEY in place of Mr. P. G. F. Lancaster, who has retired.

★

Mr. Edmund M. Olivier has been elected by the board to the post of vice-president of planning and development for DIAMOND SHAMROCK CORPORATION, Dallas, Texas.

★

Mr. John McDonald, previously of Trade Indemnity Company, has joined BAIN DAWES CREDIT, a subsidiary of Bain Dawes, as an associate director based in Leicester.

★

BICCS WALL AND CO has appointed Mr. Dennis G. Brothers to the main group executive board.

★

Following the formation of two new subsidiary companies by Norbain, NORBAIN ELECTRO-OPTICS and NORBAIN DISPLAYS, Mr. Chris Tassell and Mr. Bob Andrews have both been promoted to managing director. Mr. Tassell continues as head of Electro-Optics, while Mr. Andrews leads the sister company, Norbain Displays. Mr. John Nicol remains managing director of the main holding company—Norbain Electronics.

★

Sir John Greenborough is to become president of the NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS (formerly the National Council of Social Service) from October 8 the date of the council's annual meeting. He succeeds Sir John Partridge, who has been president since 1974.

★

BSG INTERNATIONAL has appointed Mr. Iain Freeman as director and general manager of Hostess Furniture.

★

Mr. R. Garrick has been appointed managing director of WEIR PUMPS, the Glasgow pump manufacturing subsidiary of the Weir Group. He succeeds Mr. J. R. Spence, who has resigned.

★

Mr. R. P. Roberts, who retired at the end of February from the Pascoe Group has been elected to the Board of T. T. PASCOE as non-executive chairman.

★

Mr. Ian Daish, a former director of Transglobe Aviation Insurance Group, London, has moved to Guernsey as deputy managing director of Transglobe's wholly-owned subsidiary at St. Peter Port. Mr. Daish's principal responsibilities will be as underwriter for POLYGON INSURANCE COMPANY for whom Transglobe in Guernsey also act as managers and secretaries.

★

Mr. Kenneth Durham, vice-chairman of Unilever, and Mr. H. A. Hitchcock, recently retired from the National Westminster Bank, have been appointed part-time members of BRITISH AEROSPACE Board.

★

Mr. Charles Williams has been appointed franchise director of CALEDONIAN TRUCK SERVICES, Coatbridge. He is a former general manager of Tate and Lyle Transport Contracts and of Silver Roadways Contracts.

LONDON TRADED OPTIONS

Option	Exercise price	Oct. Closing offer	Oct. Vol.	Jan. Closing offer	Jan. Vol.	April Closing offer	April Vol.	Equity close
BP	330	55	—	56	1	66	—	559p
BP	360	17	40	34	2	46	—	"
BP	390	4½	81	26	—	—	—	"
BP	420	1½	55	—	—	—	—	"
Com. Union	160	16	187	26	40	31	—	175p
Com. Union	180	7	—	15	2	18	—	"
Cons. Gold	460	100	1	117	—	—	—	547p
Cons. Gold	500	68	48	90	6	115	—	"
Cons. Gold	550	36	6	60	1	80	5	"
Cons. Gold	600	16	2	35	—	—	—	"
Courtaulds	70	5	3	6	60	6½	8	61p
Courtaulds	80	1½	—	3½	2	—	—	"
GEC	460	58	3	86	—	106	—	501p
GEC	500	32	25	60	—	78	—	"
GEC	550	11	2	36	2	55	—	"
Grand Met.	140	16	—	24	1	30	—	152p
Grand Met.	150	4½	50	15	52	19	—	"
Grand Met.	180	6	—	5½	10	12	—	"
ICI	330	36	1	50	—	66	—	364p
ICI	390	3½	—	18	10	24	10	"
Land Secs.	293	89	6	—	—	—	—	375p
Land Secs.	355	34	10	50	—	—	—	"
Land Secs.	390	12	6	28	—	44	—	"
Marks & Sp.	100	6	20	13½	—	16	—	106p
Marks & Sp.	110	3½	—	7½	95	11½	—	"
Shell	390	30	12	56	—	62	—	411p
Shell	420	17	22	36	4	44	5	"
Totals			581		614		24	
		November		February		May		
Imperial Gp.	80	5	5	6	—	7	—	84p
Lonrho	84	19	85	23	80	—	—	96p
Lonrho	94	16	279	18	—	—	—	"
Lonrho	100	—	—	—	—	15	1	"
Lonrho	104	7	12	11½	8	—	—	"
Lonrho	114	3½	7	6	—	—	—	"
P. & O.	150	12	10	17½	—	21½	—	131p
Racal Elec.	260	73	1	86	—	—	—	320p
Racal Elec.	300	38	31	56	—	70	—	"
Racal Elec.	330	19	22	39	—	55	—	"
RTZ	460	45	5	68	—	80	—	465p
RTZ	500	22	38	45	—	57	6	"
Totals			455		26		6	

BASE LENDING RATES

A.B.N. Bank	16 %	■ Hambros Bank	16 %
Allied Irish Bank	16 %	■ Hill Samuel	§16 %
American Express Bk.	16 %	C. Hoare & Co.	†16 %
Amro Bank	16 %	Hongkong & Shanghai	16 %
Henry Ansbacher	16 %	Industrial Bk. of Scot.	16½%
A P Bank Ltd.	16 %	Keyser Ullmann	16 %
■ Arbuthnot Latham	16 %	Knowsley & Co. Ltd.	18 %
Associates Cap. Corp.	16 %	Langris Trust Ltd.	16 %
Banco de Bilbao	16 %	Lloyds Bank	16 %
Bank of Credit & Cmce.	16 %	Edward Manson & Co.	17 %
Bank of Cyprus	16 %	Midland Bank	16 %
Bank of N.S.W.	16 %	■ Samuel Montagu	16 %
Banque Belge Ltd.	16 %	■ Morgan Grenfell	16 %
Banque du Rhone et de la Tamise S.A.	16½%	National Westminster	16 %
Barclays Bank	16 %	Norwich General Trust	16 %
Bremar Holdings Ltd.	17 %	P. S. Refson & Co.	16 %
Brit. Bank of Mid. East	16 %	Rossminster	16 %
■ Brown Shipley	16 %	Ryl. Bk. Canada (Ldn.)	16 %
Canada Perm't Trust	17 %	Schlesinger Limited	16 %
Cayzer Ltd.	16 %	E. S. Schwab	16 %
Cedar Holdings	17 %	Security Trust Co. Ltd.	17 %
■ Charterhouse Japhet	16 %	Standard Chartered	16 %
Choulartons	16 %	Trade Dev. Bank	16 %
C. E. Coates	16 %	Trustee Savings Bank	16 %
Consolidated Credits	16 %	Twentieth Century Bk.	16 %
Co-operative Bank	*16 %	United Bank of Kuwait	16 %
Corinthian Secs.	16 %	Whiteaway Laidlaw	16½%
The Cyprus Popular Bk.	16 %	Williams & Glyn's	16 %
Duncan Lawrie	16 %	Wintrust Secs. Ltd.	16 %
Eagil Trust	16 %	Yorkshire Bank	16 %
E. T. Trust Limited	16 %		
First Nat. Fin. Corp.	19 %		
First Nat. Secs. Ltd.	19 %		
Robert Fraser	16 %		
Antony Gibbs	16 %		
Greyhound Guaranty	16 %		
Grindlays Bank	‡16 %		
■ Guinness Mahon	16 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 14%, 1-month deposits 14¼%.
† 7-day deposits on sums of £10,000 and under 14%, up to £25,000 14¼% and over £25,000 14½%.
‡ Call deposits over £1,000 14%.
§ Demand deposits 14½%.

CORAL INDEX: Close 493-498 (+4)

WORLD STOCK MARKETS

Wall St. narrowly mixed

MOVEMENTS WERE mostly narrowly mixed in rather slow trading on Wall Street yesterday, following some negative news.

By 1 pm the Dow Jones Industrial Average was off 2.91 at 945.90, reducing its rise over the four-day week to 13.31, while the NYSE All Common Index, at $72.39, shed 2 cents on the day but was still up $1.86 on the week. Advances led declines by a slim margin, while the trading volume dropped 14.06m shares to 26.24m compared with 1 pm Thursday.

The Labour Department reported a 1.5 per cent increase in August wholesale prices, down from 1.7 per cent in July but higher than many analysts had expected.

And at the opening Citibank raised its Prime Rate one-half point to 12 per cent and was followed by Chase Manhattan.

Analysts said investors were encouraged that the Stock Market was able to shrug off the bad news and were bargain hunting to some extent.

Offshore Drillers gained ground. Hughes Tool were up $¾ at $71¾. Rowan $1 at $38½, Zapata $2¼ at $61¼, Schlumberger $⅞ at $140¼. Reading and Bates $⅞ at $60¼, Sedco $2¼ at $70⅝ and Global Marines $1¼ at $50½.

Precious Metals stocks also rose, as Gold and Silver prices advanced. ASA put on $¾ to $66¾, Hecla Mines $¾ to $39¾, Homestake Mining $1½ to $84¾, Campbell Red Lake $2⅝ to $69¼ and Dome Mines $2½ to $123.

Tandy picked up $1 to $72 on a 15 per cent August sales gain.

Over-the-counter, Computer Automation dropped to $26¼ bid, $26⅝ offered from $27¼. $27½ Thursday—it reported a fourth quarter profit compared with a year-ago loss but said its orders and deliveries have slowed in the first two months of the current fiscal year.

Getty Oil declined $1 to $78¼, while Carlisle rose $1⅝ to $41¼ and Outlet $1⅝ to $32⅞.

Oak Industries advanced $2⅞ to $42½—the company offered a $35m Eurobond, up from $30m expected, with a yield of 8.5 per cent.

On the Pacific Exchange, Pacific Resources slid $1¼ to $15⅞ and, on the NYSE, Northwest Energy eased $¼ to $37¾. Northwest dropped its bid for Pacific after Pacific balked.

The American SE Market Value Index was up 1.15 to 333.05, making a rise of 8.28 on the week. Volume 4.9m (6.3m) shares.

Oil and Mining stocks led the way, with American Petrofina "A" up $5 to $63⅞, Crown Central Petroleum "A" $4½ to $26½, Universal Resources $1½ to $36¼, Ranchers Exploration $2¼ to $35½ and Lake Shore Mines $1⅞ to $22.

Closing prices for North America were not available for this edition.

Canada

Markets posted moderate gains in slower noon trading yesterday, when the Toronto Composite Index rose 5.5 to a new record of 2,278.2.

The Metals and Minerals Index moved up 13.3 to 2,266.8, Golds 155.7 to 5,730.3, Papers 1.59 to 201.23 and Utilities 0.85 to 271.20. But Oil and Gas shed 8.6 to 4,773.9 and Banks eased 2.35 to 378.37.

Kaiser Resources, which were marked up $21 Thursday on news of a $55 a share takeover bid by B. C. Resources, were off $¼ to $53¼ on 93,560 shares as the most active Industrial.

Australia

Markets were partly buoyed by some activity in Energy stocks. Shale Oils were the market leaders as U.S. investors poured money into the stocks.

Miners and Explorers were active as stocks with gold interests and the Alpha Shale Oil twins held most of the spotlight.

Greenvale rose 55 cents to $A4.70, Esperance 30 cents to $A5.20 and Alpha Resources 43 cents to $A1.35.

Mogul Mining rose most among Golds, adding 50 cents at $A4 and Poseidon gained a further 40 cents to a year's peak of $A5.60, while Bougainville rose 5 cents to $A2.35 and Emperor 5 cents to $A2.70.

But WMC were down 10 cents to $A5.70, despite a higher profit and dividend.

Industrial rises almost doubled falls but trading was subdued.

Coal and Allied fell 50 cents to $A10.80.

Hong Kong

Stocks closed generally weaker as heavy afternoon profit-taking wiped out morning gains. The Hang Seng Index fell 3.91 to 1,212.71, after rising over seven points before lunch. Dealers said operators sold on fears of an imminent rise in local interest rates.

They said Hutchison Whampoa's higher interim profit did not surprise the market and Hutchison fell 30 cents to HK$12.40, while Cheung Kong dropped 70 cents to HK$26.60 ahead of its interim results after hours.

Hopewell dropped 90 cents to HK$14.60 after its higher final results.

Japan

Prices rebounded in moderately active trading as markets reacted favourably to the Government's decision to adopt an eight-point new economy-stimulating programme. The Nikkei Dow Index gained 26.13, ending at a new record closing high of 6,943.69. Trading volume 380m (360m) shares.

As part of the move, the Government has decided to increase Public Works spending by 30 per cent from a year before for the October-December period.

Such Public Works-related stocks as Constructions, Road Companies and Cement Makers went up significantly.

In addition, Energy stocks moved higher under the lead of Nippon Oil, up Y30 to 1,580, on hopes for oil development on the Continental Shelf between Japan and South Korea. Kumagai Gumi, Nishimatsu Construction and Maeda Construction were prominent gainers also.

Other speculative stocks like Ando Construction also went up, with the support of persistent buying.

But front-running speculative stocks like Mitsuboshi Belting, Tokico, and Maruzen Unyu fell under profit taking.

Heavy Electricals and other capital-intensive stocks were lower.

Germany

Profit taking pared prices of leading Equities, although the Commerzbank Index edged 0.10 higher to 730.00.

BMW led Motors lower, shedding DM 2 to 158. Chemicals held to small declines.

In Engineerings, KHD fell DM 2.40 and Linde DM 2.50, while against the general trend Preussag added DM 1.50 and Metallgesellschaft were up DM 4.

In Options trading, prices and volume rose, with interest centreing on six month Calls of Thyssen, BASF and Chrysler.

Public Authority Bonds were mainly firm, with prices rising as much as DM 0.55, although a few issues shed up to DM 0.30. The Bundesbank sold DM 1.5m net of stock to the market.

Mark Eurobonds were firm.

Singapore

Prices weakened in sluggish trading.

Banks, Plantations and Tins were broadly lower. Properties were generally off on better volume than the other sectors, although Selangor Properties rose 50 cents to S$11.50.

Haw Par were off 3 cents at S$2.58, after rising to S$2.67 on news it had realised a profit of S$37.6m on the sale of a building in Hong Kong.

Straits Trading firmed 5 cents to S$7.55 on news that its pre-tax profit in the first half of 1980 more than tripled from the year-earlier level.

NEW YORK

Stock	Sept. 4	Sept. 3
Clark Equipment	36⅛	34¾
Cleve Cliffs Iron	31¼	30⅞
Clorox	10¼	10¼
Cluett Peaby	10⅛	10½
Coca Cola	35⅜	35¼
Coca Btl. NY	6⅛	6¼
Colgate Palm	15⅜	15½
Collins Aikman	2	8⅞
Colt Inds	44⅜	44¾
Gerber Prod	33⅛	33⅛
Getty Oil	79½	81
Giddings Lewis	34⅝	34⅝
Gillette	30⅜	30½
Global Marine	49¼	49⅝
Goodrich (BF)	28¾	23
Goodyear Tire	16⅝	16¼
Gould	25	26½
Grace	47⅛	46⅞
Grainger (WW)	34	34
St. Regis Paper	31½	31¾
Santa Fe Inds	62¾	62
Santa Fe Intl	56¼	55⅞
Saul Invest	10	10¼
Saxon Inds	7½	7⅝
Schering Plo.	42	42
Wrigley	35¾	35
Wyly	16⅜	17¼
Xerox	60⅜	61½
Yellow Frt Sys	18⅛	18
Zapata	62	57¼
Zenith Rad	17½	16⅜

CANADA

Stock	Sept. 4	Sept. 3
Abitibi	20⅞	20⅞
Agnico Eagle	18⅜	16⅝
Alcan Alumn	32⅜	32¼
Algoma Steel	33½	32
Asbestos	30	30⅛
Bk Montreal	22¾	22½
Bk Nova Scotia	32	31¾

BELGIUM (continued)

Sept. 5	Price Frs.	+ or —
Petrofina	4,700	—45
Royale Belge	3,650	
Soc Gen Banq	2,390	—8
Soc Gen Belge	1,320	—24
Sofina	3,450	—30
Solvay	2,350	
Traction Elect	9,515	+5
UCB	1,302	+6

HOLLAND

Sept. 5	Price Fls.	+ or —
ACF Holding	69.50	—0.50
Ahold	70.50	—1.50
AKZO	22.30	—0.20
ABN	318.50	+1.50
AMEV	88.50	+0.20
AMRO	82.30	
Bredero Cert	196	

AUSTRALIA

Sept. 5	Price Aust. $	+ or —
AHZ Group	4.70	+0.02
Acrow Aust	1.10	+0.05
Allstate Expl	9.80	+0.28
Ampol Pet	1.60	—0.10
Assoc. Pulp Pap.	2.20	—0.06
Audimco	0.28	
Aust Cons Ind	3.20	
Aust Guarant.	1.59	—0.01

JAPAN (continued)

Sept. 5	Price Yen	+ or —
Kubota	375	+6
Kumagai	440	+31
Kyoto Ceramic	3,450	+40
Lion	380	+4
Maeda Cons	559	+29
Makita	1,010	+10
Marubeni	409	—3
Marudai	505	—5
Marui	680	+10

Indices

NEW YORK —DOW JONES

	Sept. 4	Sept. 3	Sept. 2	Aug. 29	Aug. 28	Aug. 27	1980 High	1980 Low	Since Compil'tn High	Since Compil'tn Low
*Industr'ls	948.81	955.70	940.78	932.56	950.38	943.09	959.72 (18/8)	759.13 (21/4)	1051.70 (11/73)	41.22 (2/7/32)
H'me B'nds	69.40	69.15	68.99	68.99	68.82	68.87	78.81 (23/6)	63.87 (28/3)	—	—
Transport	337.78	328.18	324.82	320.11	317.98	320.17	329.15 (3/9)	323.10 (3/9)	329.10 0/0	12.23 (8/7/32)
Utilities	112.96	113.08	111.50	110.88	110.28	110.45	110.85 (8/7)	96.04 (27/3)	165.32 (20/4/69)	10.52 (20/4/42)
Trading Vol 000's†	59,480	62,830	56,390	33,510	39,990	44,800	—	—	—	—

*Day's high 964.85 low 942.92

Ind. div. yield %	Aug. 29	Aug. 22	Aug. 15	Year ago (approx)
	5.75	5.59	5.53	6.58

STANDARD AND POORS

	Sept. 4	Sept. 3	Sept. 2	Aug. 29	Aug. 28	Aug. 27	1980 High	1980 Low	Since Compil't High	Since Compil't Low
‡Indust'ls	144.99	143.18	140.45	138.89	138.55	140.38	144.99 (4/9)	111.09 (27/3)	144.99 (4/9/80)	3.52 (30/6/32)
§Composite	127.70	128.12	120.74	122.38	122.08	125.52	127.78 (4/9)	98.22 (27/3)	127.70 (4/9/80)	4.40 (1/6/32)

	Sept. 4	Aug. 28	Aug. 20	Year ago (approx)
Ind. div. yield %	4.64	4.73	4.78	6.12
Ind. P/E Ratio	8.51	8.34	8.36	7.87
Long Gov. Bond Yield	11.08	11.38	11.10	8.11

N.Y.S.E. ALL COMMON

Sept. 4	Sept. 3	Sept. 2	Aug. 29	1980 High	1980 Low
75.29	72.71	71.28	70.53	73.22 (4/9)	55.30 (27/3)

Rises and Falls	Sept. 4	Sept. 3	Sept. 2
Issues Traded	1,983	1,926	1,881
Rises	767	1,354	1,033
Falls	811	314	624
Unchanged	345	258	594
New Highs	207	137	72
New Lows	3	6	3

MONTREAL

	Sept. 4	Sept. 3	Sept. 2	Aug. 29	1980 High	1980 Low
Industrial	390.16	392.80	387.04	384.09	425.80 (23/2)	323.21 (27/3)
Combined	364.78	368.60	362.49	366.54	378.90 (25/2)	298.00 (27/3)
TORONTO Composite	2272.73	2265.6	2238.1	2210.0	2271.7 (22/8)	1702.5 (27/3)

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day
Sony	1,158,300	12⅛	—
Citicorp	748,900	23⅞	+½
ATT	629,110	55⅜	+⅞
Sanguat	593,100	14¾	+⅞
IBM	548,700	66⅝	—⅞
Mobil	548,500	67⅞	—1⅞
Zenith	474,900	17⅞	+⅝
Black Dec.	467,400	21⅞	+⅝
Mer. Lynch	414,400	31⅞	[illegible]

	Sept. 5	Sept. 4	Sept. 3	Sept. 2	1980 High	1980 Low
AUSTRALIA						
Sydney All Ord. (1/1/80)	959.4	956.18	962.38	954.05	979.54 (26/8)	760.00 (2/1)
Metal & Minrls. (1/1/80)	6107.22	6147.88	6187.57	6138.03	6680.95 (14/2)	4581.26 (28/3)
AUSTRIA						
Credit Aktien (2/1/62)	67.26	67.27	67.24	67.20	69.48 (7/1)	65.59 (18/8)
BELGIUM						
Belgian SE (31/12/63)	91.68	91.80	91.01	91.94	105.76 (11/2)	90.14 (31/3)
DENMARK						
Copenhagen SE (1/1/73)	67.16	66.67	66.57	66.02	67.20 (12/8)	74.76 (5/3)
FRANCE						
CAC General (29/12/61)	111.90	111.8	111.3	111.2	117.8 (22/2)	97.1 (3/1)
Ind Tendance (28/12/79)	117.6	118.3	117.4	117.0	118.3 (4/9)	95.6 (3/1)
GERMANY						
FAZ-Aktien (31/12/58)	233.02	230.05	230.75	220.90	230.89 (25/2)	212.78 (28/3)
Commerzbank (Dec. 1953)	730.0	729.9	725.5	721.1	749.2 (25/2)	687.8 (27/3)
HOLLAND						
ANP-CBS General (1970)	85.2	85.2	80.5	85.1	88.8 (25/7)	74.0 (27/3)
ANP-CBS Indust. (1970)	64.8	64.8	64.7	65.0	68.2 (11/1)	60.2 (26/3)
HONG KONG						
Hang Seng Bank (31/7/64)	1212.71	1210.62	1237.15	1224.56	1238.85 (1/9)	738.8 (18/3)
ITALY						
Banca Comm. Ital (1972)	130.76	128.27	127.74	128.75	130.78 (5/9)	83.11 (2/1)
JAPAN						
Dow Average (16/5/49)	6945.89	6917.56	6827.27	6915.40	6945.88 (5/9)	6475.35 (27/3)
Tokyo New SE (4/1/68)	480.76	479.35	479.74	479.10	480.78 (5/9)	449.81 (18/3)
NORWAY						
Oslo SE (1/1/72)	121.77	122.06	121.61	120.22	144.70 (14/2)	110.12 (26/3)
SINGAPORE						
Straits Times (1966)	603.44	605.29	603.96	606.36	606.36 (2/9)	429.76 (6/1)
SOUTH AFRICA						
Gold (1958)	—	(u)	679.0	656.9	879.0 (5/9)	649.5 (2/7)
Industrial (1958)	—	(u)	614.7	610.5	623.5 (21/8)	456.0 (2/1)
SPAIN						
Madrid SE (26/12/79)	107.49	106.98	106.14	105.85	107.49 (5/9)	83.76 (10/6)
SWEDEN						
Jacobson & P. (1/1/58)	355.40	354.28	354.65	354.65	396.98 (9/2)	334.72 (17/1)
SWITZERLAND						
Swiss BankCpn. (31/12/58)	315.2	316.0	310.8	312.8	317.9 (11/2)	276.0 (28/3)
WORLD						
Capital Intl. (1/1/70)	—	152.4	152.8	150.0	152.8 (4/9)	120.0 (27/3)

Base values of all Indices are 100 except NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

هكذا من الأصل

Atlas Copco buys W. German plant

By William Dullforce in Stockholm

ATLAS COPCO, the Swedish compressed air and hydraulic equipment group, is buying the Saarbrucken plant of the West German company Klein, Schanzlin and Becker (KBS) for an undisclosed sum. It plans to turn the Saarbrucken plant into its European centre for gas compressor technology.

Some 230 people are currently employed in KBS's compressor plant. The purchase, which becomes effective on January 1, complements Atlas Copco's takeover earlier this year of Turbonetics a U.S. company which also produces gas compressors.

The new companies, together with the research and development already carriad out by Atlas Copco's airpower division at centres in Sweden and Switzerland make up "a significant store of know-how regarding the compressor needs of the process industry," the Swedish company said.

Atlas Copco has so far specialised in air compressors. Tha acquisition of KBS's compressor operations nnderlines its ambition to expand into the heavier, gas compressor field. Last month, Atlas Copco, which markets over 90 per cent of its products outside Swedan, reportad a 40 per cent growth in first half earnings to SKr 252m ($55m) on a SKr 2.9bn turnover.

Incentive takes a knock

INCENTIVE, the Swedish investment company which controls about 15 small engineering and other businesses, reports first half earnings of SKr 43m ($10.4m), down by SKr 4m, on sales of SKr 1.57bn ($376m).

Hongkong Land in deal with Jardine Matheson

BY PHILIP BOWRING IN HONG KONG

HONGKONG LAND and Jardine Matheson are engaging in a share and asset swap, in which Jardine will sell to the Land company assets, mostly property, valued at HK$1.2bn (U.S.$245m) in exchange for 64.48 new Land ordinary shares of HK$5 each.

Tha assets to be acquired by Land include the 50 per cent of the World Trade Centre in Hong Kong which it does not already own, valued at HK$805m, 33m Wheelock Marden "A" shares, representing 11.8 per cent of tha tcompany and worth approximately HK$188m, a 398,000 square foot office block in Sydney valued at HK$387m and additional stakes in the Mandarin Hotels in Manila and Jakarta, already partly owned by Land.

Jardine said that after the transaction it would own Land shares and warrants which if exercised would bring its holding to 251.713m shares. This would represent some 32 per cent of current shares ontstanding after the new issue, and 24 per cent of al lshares that would be on issue if all warrants were exercised.

The issue will increase Land's capital by roughly 9 per cent, compared with the maximum 10 per cent permissible without obtaining shareholder approval.

The deal will solidify Jardine-Land links andn protect them against control changing as a result of buying in the market—along the lines of Sin Yuekowe Pao, the shipping magnate acquiring control of the Hongkong and Kowloon Wharf and Godown Company, against competition from Land—or purchase of a single strategic stake, such as that in which Cheung Kong acquired effective control of Hutchison Whampoa.

Land has immense land holdings and also holds a large amount of cash generated by a recent rights issue, the sale of part of its Wharf holding for HK$650m and its sale of Gammon House early in the year for HK$1bn. It has a market capitalisation of around HK$12bn.

Jardine has a market capitalisation of little over HK$5bn.

Cheung Kong profits quadruple

BY OUR HONG KONG CORRESPONDENT

CHEUNG KONG (Holdings), the leading Hong Kong property developer which has been associated since late last year with the land-rich trading house, Hutchison Whampoa, has announced first-half net profits of HK$145.9m (US$30m), against the background of the local property boom, or nearly four times the HK$38.34m for the same period last year.

Hutchison, for its part, raised net profits for the six months, to June, by 111 per cent to HK$245.2m (US$50m), from HK$116m.

Cheung Kong also made extraordinary gains of HK$168.5m compared with HK$136.2m. The interim dividend is 20 cents against 18 cants, but is paid on capital doubled by a one-for-one scrip issue.

Mr. Li Ka-Shing, the chairman, forecasts however, that earnings for tha whole year will be not less than HK$800m, plus extraordinary items of at least another HK$30m. Last year, recurrent earnings totalled HK$254m and extraordinary items HK$385m.

This year's earnings are however, being boosted by completion of major central district office developments in the second half of the year. In addition, results have been helped by equity accounting of the results of the associates, Hutchison Whampoa and Green Island Cement. Cheung Kong's results were announced later than usual this year to allow incorporation of Hutchison and Green Island.

At Hutchison, extraordinary gains of HK$217.9m were recorded compared with HK$121.1m. Its interim dividend is 11 cents, on capital increased by a one-for-ten scrip issue.

For the full year, Mr. Bill Wyllie, the chairman, repeated a forecast made in July at the time of the company's rights issue announcement, of net attributable recurrent earnings of not less than HK$345m, against last year's HK$296.9m.

Progress in aerospace talks

BY JONATHAN CARR IN BONN

NEGOTIATIONS on a merger between West Germany's two leading aerospace concerns have made good progress but there is no immediate prospect of a successful conclusion.

This statement has been issued by one of the companies involved, Vereinigte Flugtechnische Werke (VFW), following reports that the long awaited merger with Messerschmitt-Boelkow-Blohm (MBB) was virtually agreed.

VFW said that whila it continued to believe a merger was necessary, it had so far proved impossible to raach accord on some key issues.

Talks between the two sides have been going on for three years—not least at the prompting of the Bonn Government which wants to see a reorganised West German aerospace industry capable of more effective competition, and collaboration with Britain and France.

One major problem was resolved earlier this year when VFW and the Dutch concern Fokker agreed to separate. Another obstacle was overcome in July when VFW shareholders agreed to sell VFW to MBB in return for a 10 per cent share in the new merged concern.

However, there has been discord between MBB and VFW aver the value of VFW's factories. And whereas VFW was once in a difficult financial position which diminished its bargaining power, its business more recently has been booming.

Woolworth to close Spanish operations

By Our Financial Staff

WOOLWORTH ESPANA is taking legal steps to close its eight shops in Spain, make its 585 employees redundant and cease operations there because of sustained losses over the past four years.

Announcing the move to withdraw from Spain, the company's legal adviser, Sr. Jose Serrano Carvajal, said that losses since 1976 amounted to Pta 300m ($4.1m), which was marginally less than the total investment by Woolworth's in Spain since it began trading in 1966.

He said the company's auditors had advised that the winding up of the Spanish operation would be completed by Christmas. The first move, he added, would be to reach redundancy agreements with the employees. The company's commercial buildings in Spain were rented and it did not own any real estate, Sr. Serrano Carvajal said.

Seatrain in charter deal

By Our Financial Staff

SEATRAIN LINES, reporting completion of a subchartering and leasing transaction with Trans Freight Lines, said the deal would give it an unspecified gain.

Seatrain said its subsidiary, Seatrain International SA, will now discontinue its services between the U.S. and North Europe. A spokeswoman said she understood it would stop accepting freight for the run today.

The company said the subchartering and leasing will be on a break-even basis, and the gain to be realised on the transaction will be in part offset by the expenses associated with the discontinuance of the service.

Seatrain said the transaction with Freight Lines, a subsidiary of Thomas Nationwide Transport, an Australian transportation conglomerate, involves the subchartering out by Seatrain subsidiaries of six chartered vessels and leasing of about 7,000 containers.

Seatrain said it received $15m in cash and $13.5m in notes; $5m of the notes payable are contingent upon a third party's consent, it added.

Moet-Hennessy expands in U.S. with Schieffelin deal

BY TERRY DODSWORTH IN PARIS

MOET-HENNESSY, the French champagne, cognac and perfume group, is planning a further move into the U.S. market with the acquisition of Schieffelin, a New York-based wine and spirit importer which has acted for the French group for several years.

Moet is planning to spend $48m on the New York concern, which will have a turnover in the region of $140m this year. The French company said that the acquisition should have a positive impact on its profits, although it did not give a forecast. Schieffelin, which owns SIMI, a Californian wine business, and 50 per cent of Sichel, a West German wine company, insures a substantial part of Moet's exports to the U.S.

The Schieffelin purchase follows shortly after the French group's announcement of a sizeable investment in expanding capacity of its Californian wine brands. The company is hoping to double the output of its U.S. wine to about 3m bottles a year by means of a big vine planting programme.

This policy is being pursued as part of a long-term diversification plan which has already reduced the proportion of champagne in the company's turnover to 45 per cent.

To underwrite its expansion plans, the company is also proposing to go ahead with a capital raising exercise. There will be a rights issue in the near future at the rate of one-for-six shares, followed by a free issue of one-for-seven, for which the new shares will be eligibla. These shares will all benefit for dividends for the 1980 year.

Minnesota Mining sees increase in earnings

BY OUR FINANCIAL STAFF

MR. LEWIS LEHR, chairman of Minnesota Mining and Manufacturing, expects that the second half of the year "will be a test" for the company, but says that 3M should have another year of higher earnings.

To 1979, the company reported earnings of $5.59 a share on sales of $5.44bn.

Mr. Lehr said the second half would in particular test ability to manage efficiently and adjust spending to current levels of activity.

Minnesota Mining is operating on the assumption that growth overseas will slow as Europe softens, and U.S. demand will not show any significant improvement.

Mr. John M. Pitblado, company president, said inflation seems to moderating: "The higher silver costs are behind us, and increases in other materials prices are lower than early in the year," he added.

The company believes that it probably would not achieve its goal of an average 10 per cent growth in real terms next year.

AMIC into Asea Electric

BY JIM JONES IN JOHANNESBURG

ANGLO AMERICAN Industrial Corporation (AMIC), the R800m turnover industrial arm of Anglo American Corporation, has acquired a 20 per cent interest in Asea Electric South Africa from the company's Swedish Parent Asea AB.

Following the transfer, which has cost AMIC approximately R10m, Asea AB will retain a 25 per cent interest in its South African offshoot which is one of the country's leading manufacturers of electrical transformers and high voltage equipment. Asea South Africa's current annual turnover is in the region of R80m. For the six months to June, 1980 it reported an after tax profit of R2.76m.

AMIC is to make a 505 cents per share offer to minority shareholders, compared with Asea's current price of 620 cents on the Johannesburg Stock Exchange.

It has not been revealed whether the purchase funds will be transferred to Sweden through the financial Rand Market, where the rate currently stands at 82 cents (U.S.), or at the commercial rand rate of R1 equals US$1.32. However, as part of the agreement between AMIC and Asea AB, Asea South Africa is to declare a second interim dividend of 7 cents per share to follow the 6 cents already declared for the half year to end-June last. Asea South Africa has 11.5m ordinary shares in issue.

Spanish and Portuguese airlines link

By Our Financial Staff

PORTUGAL'S national airlina TAP is about to sign a co-operation agreement with the Spanish carrier Iberia, which could eventually lead to a marger of the two companies.

The agreement will cover co-operation between the two airlines designed to improve efficiency and cut operating costs.

It is due to be signed during next week's visit to Lisbon by Sr. Jose Luis Alvarez, the Spanish Transport Minister, be added.

Although at this stage no plans existed for Iberia to buy shares in the trouble-torn Portuguese airline, the spokesman said full integration of the two companies was seen as a long-term possibility. "The problems are more political than technical," he added.

Heineken setback

Heineken's net profit for the 1980 first half dropped 52 per cent to Fl 30.3m from Fl 62.7m ($37m). The company said it would pay an interim dividend of Fl 1.50 per share. Trading profit dropped 38 per cent to Fl 88.4m from Fl 142.4m a year earlier. Turnover was up 4.6 per cent to Fl 1.48bn from Fl 1.4bn.

COMMODITIES/REVIEW OF THE WEEK

Copper up despite peace move

BY OUR COMMODITIES STAFF

COPPER PRICES moved ahead this week on the London Metal Exchange despite a threatened strike on the Zambian copperbelt being averted, and further moves to end the nine-week old stoppage in the U.S. copper industry. Cash wirebars closed last night £12 up on the week at £841 a tonne.

The U.S. copper workers union coalition endorsed the agreement reached with Kennecott and a return to work is only being held up while "local" (non-wage) issues are settled. Talks between Anaconda and the strikers ended in disagreement, but the Kennecott deal is expected to set the pattern for a general settlement.

Zambian copper workers accepted the promise of a review into employment conditions, sweetened by an increase in wages.

Although these developments should bring an even greater supply of copper at a time when warehouse stocks are already rising, the market was more influenced by the rise in the gold market and hopes that the worst of the U.S. recession is now over. Optimism that demand for metals generally starting to improva was encouraged by the fact that tha South African platinum producers decided to raise their official producer prices from $420 to $475 (£202) a troy ounce. This is still well below the free market platinum price, which gained £10.30 to £281.15 ($679) this week, but suggests the producers are confident they will not lose further sales by raising prices.

Speculative buying interest too appears to be reviving somewhat in metals encouraged by fears of renewed inflation in the U.S. as interest rates start to rise again and the dollar comes under renewed pressure. Another reason is tha dull performance of the "soft" commodity markets which suffered from a quiet period.

Cocoa and coffee prices slipped to long time lows this week as physical demand continued very weak. But both made up a little ground yesterday.

General selling encouraged by the strength of sterling pushed the December cocoa price on the London futures market down to a four-year low of £968.5 a tonne at one stage, but after an £8.5 rise yesterday it finished the week only £2.5 down on balance at £977 a tonne.

Dealers commented that there was too much cocoa around while demand was continuing at a very low ebb. Forecasts of a bigger Ivory Coast crop this year also depressed the market, they added.

Meanwhile coffee slipped to £1,071 a tonne, its lowest level for nearly four years, before recovering somewhat to end the week £11 down at £1,103.5 a tonne. As with cocoa dealers put the fall down mainly to slack demand.

News that the U.S. Food and Drug Administration had warned pregnant women against consuming too much caffeine, which is contained in coffee and tea, was not thought to have influenced the market.

Sugar values also continued their recent fall with the January position on the London futures market ending £7.75 down on the week at £334.5 a tonne. Earlier it had fallen to £328.75 a tonne.

More hopeful indications for the European sugar beet crop following the recent improved weather were thought to have encouraged the decline.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1980 High	1980 Low
METALS					
Aluminium	£810/815	—	£710/50	£810/815	£760/70
Free Markets c.i.f.	$1700/1730	—	$1,565/85	$2180/2200	$1635/65
Antimony					
Free Market 99.6%	$3,250/3300	—	$3,050/3,100	$3,455	$3200/3300
Copper Cash Wire Bars	£841	+18	£902.5	£1,372	£816.5
3 months Do. Do.	£851.5	+14.75	£896.5	£1,P76.5	£834.75
Cash Cathodes	£811	+15	£871.0	£1,P10	£785.5
3 months Do	£835	+12.0	£876	£1,34P.5	£810.5
Gold per oz.	$601.5	+19	$SP1.375	$835	$475
Lead cash §	£359	+0.70	£535.8	£579	£299.5
3 months §	£373	+0.75	£534.5	£471.5	£308.75
Nickel	£3,205	+18.57	£2,959	£3,477	£3,185.43
Free Market c.i.f. lb.	290/310c	—	855/285c	315/345	265/295c
Platinum per oz.	£202	—	£172.5	£202	£122.50
Free Market per oz.	£281.10	+10.5	£187.45	£466.5	£230
Quicksilver (76lbs.)	$405/415	−5	$310/330	$410/420	$370/380
Silver per oz.	704.50p	+33.55	521.50p	2,165.05p	467.80p
3 months per oz	732.45p	+34.95	535.0p	2,185.85p	483.5p
Tin cash	£7,102.5	−32.5	£6,217.0	£8,350	£7,040
3 months	£7,137.5	—	£6,782.5	£8,385	£7,102.6
Tungsten Ind	$144.87	+0.15	$132.92	$144/87	$157.75
Wolfram (22.04 (b))	$151/154	+1.5	$144/49	$151/154	$125.58/134
Zinc cash	£328.25	+4.25	£308.5	£400	£282
3 months	£336.5	+4.75	£318.5	£410	£288.85
Producers	$780	—	$780	$825	$780
GRAINS					
Barley					
Home Futures	£93.45	−1.25	£92.35	£101.55	£89.95
Maize					
French No. 3 Yellow (Amer)	£122.5	—	£108	£122.5	£115
WHEAT					
No. 1 Red Spring	‡	—	‡		
Am. Hard Winter	£99.25	—	£97.50	£105	£91.0
Eng. Milling (new crop)	‡	—	£95.0	‡	‡
SPICES					
Cloves (g)	£3,750s	—	£3,770	£4,175	£3,750
Pepper, white	£2,350s	—	£2,875	£2,925	£2,150
" black	£1,700s	—	£2,000	£2,025	£1,578
OILS					
Coconut (Philippines)	$605s	—	$910	$925	$570
Groundnut 5%	‡	—	‡	£467	‡
Linseed, Crude	£397	—	£415	£464	£368
Palm Malayan	$546x	—	$636	$725	$505
SEEDS					
Copra (Philippines)	$415y	—	$620	610	$350
Soyabeans (U.S.)	$334t	+8.5	$334t	$341	$260.5
OTHER COMMODITIES					
Cocoa Shipment	£1,034	−6	£1,631	£1,546	£1,033
Cocoa Futures Dec	£977	−2.5	£1,460.5	£1,513.5	£968.5
Coffee Futures Nov	£1,103.5	−11	£1,842.5	£1,784.5	£1071.5
Cotton Index	101.8c	+1.8	77.80c	102.40c	85c
Des. Coconut	£700	—	‡	£740	£700
Jute LJ ABW C grade	£198s	+11	£233	£225	£187
Rubber kilo	64p	−0.5	58.25p	90p	55.50p
Sago Pearl	£205s	—	£195	£216	£204
Sisal No. 3 L	£685	—	£675	£685	£640
Sugar (Raw)	£307	−3	£111	£362	£164
Tapioca No. 1	£213s	—	£180	£221	£202
Tea (quality) kilo	135p	—	150p	150p	132p
" (plain) kilo	58p	—	63p	75p	55p
Wooltops 64s Warp	287pkilo	—	270p	308p kilo	276p kilo

‡ Unquoted. (g) Madagascar. (x) Nov./Dec. (s) Sept./Oct. (t) Oct. (y) Nov./Dec.

MARKET REPORTS

BASE METALS

COPPER—Marginally firmer on the London Metal Exchange with the market sustained by the further rise in precious metals. After opening at £860 three months moved up to £863 but ran into trade selling which pared the price to £853 in the rings. Thereafter the price staged a recovery and moved up to £862 prior to closing the late kerb at £861.5. Turnover 16,125 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	833-3.5	+4.75	840-2	+1.5
3 months	854.5-5	+6.25	861-2	+5.25
Settlem't	833.5	+4.5	—	
Cathodes				
Cash	803-5	+5.5	810-2	+4.5
3 months	827-9	+6.75	834-5	+4
Settlem't	805	+7	—	......
U.S. Prod	—	......	*93.15-98.25	+1.10

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £833, 34, 33.5. Three months £855, 56, 56, 56, 54, 54.5, 55. Cathodes untraded. Kerbs: Wirebars three months £857, 58, 59, 59, 57, 59, 59, 58.5, 59, 59.5, 59. Cathodes untraded. Afternoon: Wirebars cash untraded. Three months £861, 60, 61. Cathodes untraded. Kerbs: Wirebars three months £861, 62, 61. Cathodes untraded.

TIN—Firmer. Forward metal held steady around the £7,130 to £7,140 level throughout the morning, with the contango widening to £45. In the afternoon, however, cash and forward metal both moved up strongly following talk of outgoing shipments tin which prompted heavy buying of cash and eliminated the contango. Three months touched £7,200 before closing the late £7,130. Turnover 890 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7091-100	−2	7100-5	+22.5
3 months	7135-45	+19	7140-50	+25
Settlem't	7110	+10	—	......
Standard				
Cash	7090-5	−5	7100-5	+22.5
3 months	7130-5	+10	7135-40	+20
Settlem't	7095	−5	—	......
Straits. E.	‡$2175	+10	—	......
New York	—		—	......

Morning: Standard cash £7100, 7095. Three months £7115, 7130. High grade untraded. Kerbs: Standard cash £7100. Three months £7130, 40. High grade untraded. Afternoon: Standard cash £7105, 7100. Three months untraded. High grade untraded. Kerbs: Standard three months £7140, 45, 70, 90, 7200, 7190. High grade untraded.

LEAD—Gained ground. After opening at £365 and easing to £364.5 on hedge selling three months moved up in the wake of U.S. interest and fresh buying to close the late kerb at £375. Turnover 6,975 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	350-1	+4.75	358-60	+5.5
3 months	364.5-5.5	+4.5	372.5-3.5	+5.75
S'ment	351	+5	—	......
U.S. Spot	—	......	*42	......

Morning: Cash untraded. Three months £366, 65, 64.5, 65. Kerb: Three months £367, 68. Afternoon: Cash untraded. Three months £368, 69, 70, 72, 71.5, 72, 73, 72.5, 73, 73.5, 73. Kerb: Three months £375, 76, 75.

ZINC—Higher in line with copper and lead. Forward metal opened at £332, edged up to close the late kerb at £335. Turnover 6,725 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	321.5-2	+3.12	324.5-5	+5.25
3 months	332.5-3	+1.37	336-7	+5
S'ment	322	+3.25	—	......
Primw'ts	—	......	*36.5-37.25	—

Morning: Cash £322. Three months £332, 33. Kerbs: Three months £332, 33. Afternoon: Cash untraded. Three months £334, 35, 36, 36.5. Kerb: Three months £335, 37, 38, 35.

ALUMINIUM—Barely changed on balance. Forecasts of substantial increase in warehouse stocks prompted initial selling which triggered stop-loss selling and depressed forward metal from £703 to £696. However, the general firmness of other metal prompted a minor rally and lifted forward metal to £704 on the late kerb. Turnover 7,125 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
	£	£	£	£
Spot	589-91	−2.5	596-8	−1.5
3 months	687-8	−5.5	703-4	+0.5

Morning: Cash untraded. Three months £696, 98, 99, 97, 98, 99, 99.5, 99, 98, 97, 97.5, 98. Kerb: Three months £699. Afternoon: Cash untraded. Three months £700, 700.5, 01, 02, 03, 02.5. Kerb: Three months £704, 705.

NICKEL—Moved ahead reflecting fresh buying demand and short covering prompted by the general trend in other metals. Forward metal opened around £2,735 and gradually moved up to close the day at £2,762.5. Turnover 222 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
Spot	2710-20	+12.5	2725-45	+55
3 months	2740-5	+5	2760-5	+24.5

* Cents per pound. $SM per picul. † On previous unofficial close.

Morning: Cash untraded. Three months £2735, 40. Kerbs: Three months £2740. Afternoon: Cash untraded. Three months £2745, 50, 55, 60, 65. Kerbs: Three months £2760, 65.

SILVER

Silver was fixed 31.45p an ounce higher for spot delivery in the London bullion market yesterday at 704.55p. U.S. equivalents of the fixing levels were: spot $17.029, up 74.7c; three-month $17.525, up 78.2c; six-month $18.071, up 78c; and 12-month $19.116, up 83.3c. The metal opened at 695p-703p ($16.80-$17.00) and closed at 710p-714p ($17.15-$17.25).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffici'l	+ or —
Spot	704.55p	+31.45	714.5p	+21.5
3 months	732.45p	+32.35	743.00p	+22.75
6 months	760.65p	+32.35	—	......
12 months	809.30p	+34.5	—	......

LME—Turnover 149 (196) lots of 10,000 ozs. Morning: three months 727, 26, 27, 27.1, 28, 35, 34, 35, 36, 36, 39, 40, 41, 40. Kerb: three months 740. Afternoon: three months 740, 42, 41.5, 42, 43. Kerb: three months 744, 43, 41.

COCOA

Cocoa futures remained steady throughout a featureless day as short covering in light volume caused prices to rally £10 and close at the highs, reports Gill and Duffus.

COCOA	Yesterd'ys Close	+ or —	Business Done
Sep.	935-937	+8.5	940-930
Dec.	975-978	+8.5	980-958
March	1016-17	+10.0	1019-07
May	1036-38	+6.5	1038-28
July	1056-59	+5.5	1059-50
Sept.	1080-82	+8.0	—
Dec.	1100-05	+15.6	—

Sales: 1,161 (1,411) lots of 10 tonnes.

COFFEE

Coffee futures continued the recent steadier trend with trade buying, contributing towards early gains of £10, reports Drexel Burnham Lambert. However, values tended to drift lower in a quiet market and prices traded at around unchanged levels by mid-morning. A featureless afternoon saw prices fixed in a tight range with volume once again very thin.

COFFEE	yesterday's Close	+ or —	Business Done
	£ per tonne		
Sept.	1049-50	+11.0	1054-41
Nov.	1103-04	+0	1108-1086
January	1143-44	+1.5	1152-37
March	1166-67	+3.5	1159-57
May	1170-75	+0.5	1180-69
July	1186-88	+4.5	—
Sept.	1282-85	+8.5	—

Sales: 2,159 (3,175) lots of 5 tonnes.

ICO indicator prices for September 4 (U.S. cents per pound). Other Mild Arabicas 127.33 (128.00). Robustas ICA 1976 124.00 (123.00). ICA 1968 124.25 (123.25). Unwashed Arabicas 210.00 (same). Comp. daily ICA 1968 163.89 (163.25).

GRAINS

M'nth	WHEAT Yesterday close	+ or —	BARLEY Yesterday close	+ or —
Sept.	95.50	−0.45	89.70	−0.10
Nov.	99.30	−0.50	95.45	−0.45
Jan.	103.50	−0.50	97.60	−0.40
Mar.	107.20	−0.45	101.25	−0.40
May.	110.70	−0.45	104.75	−0.40
July.	114.95	−0.40	—	......

Business done—Wheat: Sept. 95.75-95.50, Nov. 99.50-99.20, Jan. 103.80-103.40, March 107.20-107.10, May 11P.90-110.65, July 114.25-114.1P. Sales 327 lots of 100 tonnes. Barley: Sept. 89.95-89.70, Nov. 93.60-93.30, Jan. 97.75-97.50, March 101.30-101.15, May 104.95-104.65. Sales 255 lots of 100 tonnes.

HGCA — Locational ex-farm spot prices. Other milling wheat: Eastern 97.50, E. Midlands 97.60, N. East 96.90, Scotland 97.70. Feed barley: Eastern 89.60, E. Midlands 84.70, N. East 84.80, Scotland 85.40.

The UK Monetary Coefficient for the week beginning Monday September 8 is expected to remain unchanged.

IMPORTED—Wheat: U.S. Dark Northern Spring No 2 14 per cent Sept. 96.00, Oct. 98.75 transhipment east coast sellers. U.S. Hard Winter 13½ per cent Oct. 99.25 transhipment east coast. Maize: U.S./French Sept. 122.50, Oct. 121 transhipment east coast. S. African Yellow Sept./Oct. 90.00 seller. Barley: English Feed fob Jan./March 104, April/June 109 east coast sellers. Rest unquoted.

RUBBER

The London physical market opened slightly easier, with heavy liquidation on the terminal market, closing weak. Lewis and Peat reported an fob September price for No. 1 RSS in Kuala Lumpur of 312 (313.5) cents a kilo and SMR 20 at 275 (276).

No. 1 R.S.S.	Business Done	Yest'day Close	Previous Close
Oct.	64.40-65.70	65.00-65.20	—
Nov.	65.20-65.40	66.90-67.00	—
Oct-Dec	65.20-66.30	66.90-66.80	66.30-66.50
Jan-Mar	68.60-68.50	70.60-70.70	71.00-68.10
Apr-Jne	71.70-71.80	73.60-73.70	73.50-71.70
Jly-Sept	74.60-74.70	76.40-76.50	76.80-76.50
Oct-Dec	77.10-77.20	78.90-79.00	78.50-77.10
Jan-Mar	79.60-79.70	71.60-81.70	80.00-79.70
Apl-Jne	82.30-82.50	84.20-84.30	—

Sales: 882 (311) at 15 tonnes: none at 5 tonnes.

Physical closing prices (buyer) were: Spot 64.00p (65.00p); Oct. 65.00p (66.25p); Nov. 66.00p (67.25p).

SOYABEAN MEAL

The London market opened around £1.00 easier in quiet conditions, reports T. G. Roddick. Prices rallied during the afternoon session on commission house and short covering but eased on trade selling and slight profit taking to close £1.50-£1.50 up.

	Yest'rday Close	+ or —	Business Done
	£ per tonne		
October	122.90-23.0	+1.85	123.20-23.50
December	127.50-27.1	+1.40	127.50-25.00
February	128.80-29.0	+1.15	128.00-27.20
April	129.70-30.0	+0.90	130.00-28.50
June	130.00-32.0	+1.00	—
August	130.00-35.0	+1.00	—
October	132.00-34.5	+1.50	—

Sales: 230 (159) lots of 100 tonnes.

AMERICAN MARKETS

NEW YORK, September 5.

THE LIVESTOCK complex was mixed on profit-taking and uncertainty about next week's marketings. Grains and soyabeans rallied on light volume and and lack of selling. Silver was impressively strong on speculative buying while gold was mixed on profit-taking. Copper sold off moderately in a dull market. Sugar finished moderately on trade buying and arbitrage selling. Coffee bounced back from a downward trend with roasters still absent in the market. Stop buying and short-covering pushed cocoa prices higher. Cotton rallied on trade interest and speculative buying, reported Heinold.

Copper—Sept. 89.50 (89.65), Oct. 90.30 (90.55), Nov. 91.20, Dec. 92.00-92.10, Jan. 92.85, March 94.25-94.40, May 95.85, July 97.35, Sept. 98.85, Dec. 100.85, Jan. 101.50, March 102.80, May 104.10, July 105.40. Sales: 5,200.

Potatoes (round whites)—Nov. 91.0-91.3 (91.1), March 130.0 (129.2), April 152.6-154.P.

Sugar—No. 11: Oct. 32.00-32.20 (32.53), Jan. 33.40-33.SP (33.95), March 34.60-34.65, May 34.30, July 33.80-33.85, Sept. 32.90-33.05, Oct. 32.25-32.30, Jan. 29.30-29.40.

Tin—795.0-796.0 (790.0-796.0).

CHICAGO, September 5.

Lard—Chicago loose 22.50 (same). New York prime steam unavailable.

Live Cattle—Oct. 69.00-68.82 (69.37), Dec. 70.60-70.72 (71.12), Jan. 71.25, Feb. 72.15-72.05, April 73.57-73.82, June 74.75-74.90, Aug. 74.85.

Live Hogs—Oct. 44.42-44.30 (44.20), Dec. 48.00-48.20 (47.62), Feb. 51.15-51.25, April 50.10, June 54.20, July 55.05, Aug. 52.75, Oct. 50.50, Dec. 51.50.

‡‡Maize—Sept. 357½-358 (357¾), Dec. 358¾-357¾ (356¾), March 368-367¾, May 371½-372, July 372½-371¼, Sept. 362½-362¾.

Pork Bellies — Feb. 64.75-65.05 (64.40), March 65.00-65.30 (64.27), May 65.80-65.90, July 67.00, Aug. 65.30.

Silver—Sept. 1740.0 (1712.0), Oct. 1760.0-1768.0 (1702.5), Nov. ——, Dec. 1799.0, Feb. 1840.0, April 1881.0, June 1922.0, Aug. 1964.0, Oct. 2005.0, Dec. 2045.0, Feb. 2088.0, April 2130.0, June 2172.0, Aug. 2214.0, Oct. 2256.0, Nov. ——, April ——.

†Soyabeans—Sept. 810-810½ (803), Nov. 833½-830 (821½), Jan. 850-848, 872-871, Aug. 863, Sept. 836.

‖Soyabean Meal—Sept. 233.5 (229.5), Oct. 234.5-234.7 (231.4), Dec. 240.9-240.2, Jan. 242.5-243.0, March 246.5-247.0, May 246.0, July 246.5, Aug. 241.5-242.5, Sept. 240.0-241.0.

Soyabean Oil — Sept. 27.35-27.40 (29.87), Oct. 27.55-27.60 (27.08), Dec 28.05-28.10, Jan. 28.05-28.15, March 28.70-28.65, May 28.70-28.80, July 28.80, Aug. 28.55-28.65, Sept. 28.45-28.55.

†Wheat—Sept. 470 (464), Dec. 490-491 (486¾), March 510½-509½, May 519, July 512-512½, Sept. 519.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen.

INDICES

FINANCIAL TIMES

Sept. 4	Sep. 3	Mnth ago	Year ago
875.38	275.84	276.04	890.11

(Base: July 1, 1952=100)

MOODY'S

Sept. 4	Sept. 3	M'nth ago	Year ago
1246.2	1242.4	1236.4	1109.5

(December 31, 1931=100)

DOW JONES

Dow Jones	Sept. 4	Sept. 3	Month ago	Year ago
Spot	443.88	449.42	440.52	400.45
F'tur s	465.60	469.54	449.25	406.91

(Average 1924-25-26=100)

REUTERS

Sept. 5	Sept. 4	M'nth ago	Year ago
1727.0	17P1.8	1710.4	1577.3

Base: September 18, 1931=100)

SUGAR

LONDON DAILY PRICE (raw sugar): £307.00 (£310.00) a tonne cif for Sept.-Oct. shipments. White sugar daily price was £306.00 (£307.00).

Prices were contained within a £3 range in quiet trading conditions, reports C. Czarnikow.

No. 4 Contract	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
Oct.	320.50-21.00	326.50-27.00	326.00-17.00
Jan.	334.00-35.00	339.50-39.00	334.00-35.50
Mch.	347.50-47.70	351.90-52.00	351.75-44.00
May	346.00-46.25	349.70-49.75	349.50-42.50
Aug.	338.00-38.50	342.00-42.25	342.00-27.75
Oct.	329.25-29.50	329.75-30.00	329.25-26.80
Jan.	304.00-08.50	308.75-09.00	309.50-07.00

Sales: 8,248 (6,859) lots of 50 tonnes.

No. 2 CONTRACT—Close (in order buyer, seller, business, sales): Oct. 327.25, 328.00, 330.00-322.50, 213. Sales: 213 (322).

Tate and Lyle ex-refinery price for granulated basis white sugar was £342.5 (same) a tonne for home trade and £396.50 (£399.0) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for Sept. 4: Daily price 32.10 (31.54); 15-day average 31.41 (31.54).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order buyer, seller, business, sales). Australian cents per pound. Oct. 455.0, 456.0, 456.0-455.5, 33; Dec. 463.0, 463.5, 464.0-463.5, 42; March 472.5, 473.5, 474.0-472.5, 40; May 475.0, 476.0, 476.0-475.0, 38; July 477.0, 479.0, 479.0-478.0, 20; Oct. 479.0, 479.5, 479.0-478.0, 12; Dec. 480.0, 482.0, 480.0-479.0, 12; March 482.0, 484.0, 482.0-481.0, 5. Sales: 200.

LONDON NEW ZEALAND CROSSBREDS—Close (in order buyer, seller, business, sales). New Zealand cents per kilo. Oct. 358, 364, nil, nil; Dec. 370, 375, nil, nil; Jan. 373, 378, nil, nil; March 373, 378, nil, nil; May 373, 379, nil, nil; Aug. 375, 380, 376, 2; Oct. 375, 380, 377, 2; Dec. 376, 381, 378, 2; Jan. 378, 381, 379, 2; March 376, 385, 380, 2. Sales: 10.

COTTON

LIVERPOOL—Cotton shipment sales amounted to 47 tonnes, bringing the total for the week to 964 tonnes against 745 tonnes in the previous week. While the offtake was narrow many users were testing prices and so the demand came forward. Most of the orders booked were in South American and Middle Eastern qualities.

★

GRIMSBY FISH—Supply fair, demand good. Prices at ship's side (unprocessed) per stone: Shelf cod £4.50-£5.20, codlings £2.50-£3.40. Large haddock £4.00-£5.00, medium £2.00-£3.30, small £1.50-£2.50. Medium plaice £5.40-£5.80, best small £3.00-£4.00. Skinned dogfish (large) £5.50-£6.00 (medium) £4.80-£5.00. Lemon soles (large) £8.00, (medium) £6.50. Saithe £3.80-£4.00.

POTATOES

LONDON POTATO FUTURES—The market saw only routine trade in a quiet day, reports Coley and Harper. Closing prices: Nov. 41.00, −10 (high 41.00, low 40.80); Feb. 47.50, −20; April 54.50, −30 (54.50). Turnover: 9 (22) lots of 40 tonnes.

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on September 5. GB—Cattle 72.75p per kg lw (−0.84). UK—Sheep 118.45p per kg est dcw (−0.53). GB—Pigs 57.96p per kg lw (+0.91).

Stock Exchange dealings

Thursday, September 4	18,787
Wednesday, September 3	18,365
Tuesday, September 2	16,988
Monday, September 1	16,373
Friday, August 29	19,550
Thursday, August 28	18,946

The list below gives the prices at which bargains were done by members of the Stock Exchange and recorded in last Thursday's Stock Exchange Daily Official List. For those securities not marked in Thursday's List, we show the latest markings recorded during the previous four business days, these are distinguished by the date shown in parentheses.

The number of dealings marked on Thursday in each section follows the name of the section. Unless otherwise denoted, shares are £1 fully paid and stock £100 fully paid.

Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 pm only, but later transactions can be included in the following day's Official List. The figures shown above, on the other hand, are the total number of bargains transacted in all securities up to 3.30 pm. No indication is available as to whether a bargain represents a sale or purchase. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. Φ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS (504)

CORPORATIONS (11)

PUBLIC BOARDS (7)

COMMONWLTH. GOVTS (14)

COMMONWLTH. CORPS. (—)

FOREIGN STOCKS (2)

BANKS (121)

BREWERIES (75)

COMMERCIAL (1,609)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

FINANCIAL TRUSTS

GAS (8)

INSURANCE (101)

INVESTMENT TRUSTS

Occidental's plans complicate chemical industry's future

OCCIDENTAL PETROLEUM'S announcement yesterday that it planned to build an ethylene plant in Scotland has injected fresh complexity and uncertainty into the UK chemical industry's expansion plans.

Occidental said the ethylene project was at a "very early stage" but talks had begun with potential suppliers of ethane, including British National Oil Corporation, British Gas Corporation and other offshore operators.

It is thought Occidental wants to collect and process some of the ethane that will go from a number of fields through the proposed £1.1bn gas-gathering pipeline network. The shore terminal for this pipeline will probably be at St. Fergus, near Peterhead.

Occidental and its partners already produce ethane—5,000-6,000 barrels a day—from their Piper and Claymore fields but this goes to Flotta, and is then exported to Norway.

Chemical industry experts last night expressed scepticism about Occidental's plans.

They pointed out that an economic, world-scale ethylene plant — able to produce about 0.5m tonnes — would cost roughly twice as much as the £200m mentioned by Occidental. The Shell/Esso ethylene plant being built at Mossmorran in Fife is expected to cost at least £360m.

There is already fierce competition among the major chemical companies to use ethane gas from the projected North Sea gas-gathering system as raw material for making ethylene. The U.S.-based Dow wants to use the ethane to build a plant at Nigg on the Cromarty Firth, while BP Chemicals, Shell Chemicals UK, and Imperial Chemical Industries want to share the gas freestock among their existing plants at Grangemouth, Mossmorran and Wilton on Teesside.

There was some speculation in the chemical industry that Occidental might try for a joint venture ethylene plant with Dow. Mr. Zoltan Merszei, former head of Dow, is now chairman and chief executive of Occidental's chemicals subsidiary, Hooker Chemical. While head of Dow's European operation, he often expressed a wish to see an ethane-based ethylene plant built in Scotland.

No-one in Dow was available for comment.

Ethylene, the so-called building block of the chemical industry, is used to make a wide range of things from plastics to solvents. Most European ethylene plants use naphtha, which comes from oil, as a raw material. But it is far more economic to make ethylene from ethane.

Ranks sell Rivermill House for £20.5m

BY MICHAEL CASSELL

RANKS Hovis McDougall has sold its former London headquarters on the northern side of Vauxhall Bridge to an unnamed pension fund for £20.5m in cash.

The sale of the group's long leasehold interest in Rivermill House forms part of its drive to reduce heavy bank borrowings and to improve profitability.

The office building was vacated in stages by Ranks in late 1979 and early 1980. Head office staff went to Windsor while the group's trading divisions were relocated at Slough. About 400 people were moved.

British Gas Corporation took a 35-year lease on the building in April at a rent believed to be about £1.25m a year but the buyer is not the gas industry's pension fund.

Rivermill House, built for Ranks in the early 1970s, provides 78,720 sq ft of offices, plus 57,990 sq ft of storage space and car parking. It is near the £75m Crown Estate Commissioners' Millbank Estate commercial and residential development, in which the Metropolitan Police plans to lease 217,000 sq ft.

Sainsbury food campaign

BY GARETH GRIFFITHS

THE J. SAINSBURY chain yesterday announced a £20m, four-week, promotion of British fresh foods to be held in its 199 supermarkets from the middle of the month.

Sir John Sainsbury, the company's chairman, said he believed it was the first time a major food retailer had launched a large scale campaign for British fresh foods. Sir John said he thought it was timely to promote British food, particularly when overseas suppliers were making strenuous efforts to obtain a larger share of the UK food market.

Sainsbury's market share of 12.4 per cent is the third highest in the country, behind Tesco and the co-operative retail societies. The promotion will start on September 15, and include price cutting on meat, bacon, eggs, butter, cheese, fruit and vegetables.

EUROPEAN OPTIONS EXCHANGE

Series		Oct. Vol.	Oct. Last	Jan. Vol.	Jan. Last	April Vol.	April Last	Stock
ABN C	F.300	2	15.90	—	—	—	—	F.312.50
ABN C	F.320	17	4	1	9.90	1	12.50	"
AKZO C	F.22.65	—	—	5	1.20	—	—	F.22.36
AKZO C	F.25	5	6.26	—	—	—	—	"
AKZO P	F.22.90	—	—	3	1	—	—	"
AKZO P	F.29	4	2.60	—	—	—	—	"
AMRO C	F.66	1	1.26A	—	—	—	—	F.65.30
AMRO C	F.70	40	0.70	8	1.60	7	2.40	"
CSF C	F.480	1	45	—	—	—	—	F.505
CSF C	F.580	—	—	2	20	—	—	"
KODA C	$70	—	—	—	—	1	3¾	$85¼
CITI C	$20	—	—	8	5½	—	—	$23
HEIN C	F.55	12	1.50	3	3	—	—	F.54.90
HEIN C	F.90	—	—	2	1.70	—	—	"
HEIN P	F.55	10	2.80	5	3.20	1	3.50	"
HOOG C	F.15	—	—	14	1	—	—	F.14.50
IBM C	$70	—	—	—	—	16	4⅝	$68½
KLM C	F.60	1	5	—	—	—	—	F.55.30
KLM P	F.60	15	1.10	—	—	—	—	"
KLM P	F.70	1	9	—	—	—	—	"
NAT C	F.104.50	1	15.70B	—	—	—	—	F.118.40
NAT C	F.109.10	20	98	—	—	—	—	"
NATN C	F.116	29	8.50	—	—	—	—	"
NATN C	F.126	39	1.26	8	5.56	—	—	"
NATN P	F.120	10	5.40	—	—	6	7	"
PETR C	Fr.5000	—	—	2	240	—	—	Fr.4700
PETR P	Fr.4500	—	—	2	120	—	—	"
PHIL C	F.17.56	40	0.96	70	0.80	8	1.20	F.17.40
PHIL C	F.26	—	—	15	0.50	—	—	"
PHIL P	F.17.50	—	—	70	0.86	—	—	"
PHIL P	F.20	—	—	3	2.80	—	—	"
OLIE C	F.150	10	21.50	—	—	—	—	F.171.30
OLIE C	F.160	17	11.60A	1	12.50B	—	—	"
OLIE C	F.170	142	4.20	39	9.10	—	—	"
OLIE C	F.180	234	6.90	61	2.40A	5	4.20	"
OLIE P	F.160	—	—	60	1.60	—	—	"
OLIE P	F.160	96	1.70	39	3.70	2	4.20	"
OLIE P	F.170	86	9.40	11	7.90	—	—	"
OLIE P	F.180	2	14.20	10	15	—	—	"
UNIL C	F.120	—	—	3	5.30	—	—	F.121.50
UNIL C	F.130	—	—	—	—	2	1.50	"
UNIL P	F.110	—	—	100	1	—	—	"
UNIL P	F.115	50	0.40	—	—	—	—	"
UNIL P	F.120	30	1.70	—	—	—	—	"
		Nov.		Feb.		May		
BOEI C	$40	—	—	10	5½	—	—	$58½
BASF C	DM.140	—	—	2	2.90	—	—	DM151.60
OCCI C	$50	—	—	10	1⅝	—	—	$28⅛
SIEM C	DM.280	—	—	4	10.50	—	—	DM279.50

TOTAL VOLUME IN CONTRACTS 1498

C=Call

هكذا من الأصل

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1980 high	1980 low
Double Eagle	25p	14	420	+ 190	420	112
LASMO	25p	7	700	+ 25	830	337
Anglo-Amer. Cp.	R0.10	6	700	+ 15	720	485
BP	25p	6	358	+ 10	412	320
Burmah Oil	£1	6	195	+ 10	249	162
Charterhouse Gp.	25p	6	97	—	98	61
ICI	£1	6	362	—	402	348
MFI Furniture	10p	6	59	+ 1	89	45
Shell Transport	25p	6	412	+ 4	432	314
BICC	50p	5	142	+ 1	142	95
Barclays Bank	£1	5	420	+ 2	430	327
B.E.T. Defd.	25p	5	139	− 3	150	108
Cadby. Schweppes	25p	5	66	—	66	54
GUS A	25p	5	466	+ 6	468	340
RTZ	25p	5	467	+ 1	485	357

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1980 high	1980 low
BP	25p	41	358	+ 16	412	320
RTZ	25p	40	467	+ 25	485	327
Thorn EMI	25p	38	380	+ 22	380	260
Ceral Leisure	10p	37	91	+ 31	92	54
ICI	£1	35	362	+ 6	402	348
Plessey	50p	35	243	+ 2	247	108
Shell Transport	25p	34	412	+ 2	432	314
Premier Cons.	5p	32	77	+ 5	99	36
Burmah Oil	£1	30	195	+ 10	249	162
GEC	25p	30	504	+ 14	512	325
LASMO	25p	29	700	+ 50	830	337
Racal Electronics	25p	29	322	+ 26	322	175
Westland	25p	29	128	+ 18	128	56½
Blue Circle New	Nil/pd.	27	50 pm	+ 2†	52 pm	45 pm
Marks & Spencer	25p	27	105	+ 5	105	74

† Based on Tuesday's opening price.

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Knowsloy 051 548 6555	13¾	½-year	1,000	4-5
Redbridge 01 478 3020	13½	½-year	200	5-6

BUILDING SOCIETY RATES

	Deposit rato %	Share accounts %	Sub'pn shares %	*Term shares %
Abbey National	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Aid to Thrift	10.85	11.37	—	—
Allianco	10.25	10.50	11.75	12.50 5 yrs., 11.75 3 mths.
Anglia	10.25	10.50	11.75	13.00 6 yrs., 12.50 5 yrs.
Bradford and Bingley	10.25	10.50	11.75	11.25 ono month's notice deposit
Bridgwater	10.25	10.50	12.00	12.50 5 yrs., 12.00 4 yrs., 11.60 2½ yrs.
Bristol and West	10.25	10.50	11.75	—
Bristol Economic	10.25	10.50	11.75	10.75 3 months
Britannia	10.25	10.50	11.75	12.50 5 yrs., 11.25 3 months' notice
Burnley	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Cardiff	10.50	11.50	12.50	—
Catholic	10.05	10.75	11.65	— Share a/cs 10.95 ovor £5,000
Chelsea	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.55 6 mths.
Choltenham and Gloucestor	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Cheltenham and Gloncester	—	11.50	—	— Premium ahares including 1.00 bonus p.a. (£15,000 or £20,000)
Citizens Regency	10.25	10.85	12.05	12.85 5 yrs., 12.35 4 yrs., 11.85 3 yrs.
City of London (The)	10.50	10.80	11.80	12.00 Capital City ahares—4 mth. not
Coventry Economic	10.25	10.50	11.75	12.00 4 yrs., 11.5 3 yr., 11.25 3 mth. not.
Covontry Provident	10.25	10.50	12.50	12.55 av. 5 yrs., 12 4 yrs., 11.25 3 m.n.
Derbyshire	10.25	10.50	11.75	11.30 3 months' notice
Ealing and Acton	10.25	11.00	—	11.65 2 years, £2,000 minimum
Gateway	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Greenwich	—	10.75	12.00	12.75 S yrs., 12.25 4 yrs., 11.75 3 yrs.
Goardian	10.25	10.75	—	12.25 6 mth., 11.75 3 mth., min. £1,000
Halifax	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Heart of England	10.25	10.50	11.75	12.50 5 yrs., 11.00 3 mths. notice
Hearts of Oak and Enfield	10.25	10.75	12.25	12.00 4 yrs., 11.75 3 yrs., 11.50 2 yrs.
Hendon	10.50	11.00	—	12.00 6 months, minimum £2,000
Huddersfield and Bradford	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Lambeth	10.25	10.75	12.50	12.50 5 yrs., 12.00 6 mths. notice
Leamington Spe	10.35	10.60	14.19	12.55 5 yrs., 12.30 4 yrs., 11.90 3 yrs.
Leeds Permanent	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Lelcester	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Liverpool	10.25	10.50	11.95	12.50 5 years, minimum £1,000
Molton Mowbray	10.35	10.60	11.75	13.10 6 yrs., 12.10 4 yrs., 11.35 2 yrs.
Mornington	10.75	11.75	—	—
National Counties	10.50	10.80	11.80	11.90 6 mtb., 11.35 3 mth., min. £1,000
Nationwide	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.00 1 yr.
New Cross	11.00	11.25	—	11.25 12.50 on share eccs., depending oo min. belance over 6 mths.
Northern Rock	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Norwich	10.25	10.50	12.00	11.50 3 yrs., 11.25 2 yrs., min. £500
Paddington	10.00	11.00	12.50	11.756 mth., 12.00 wdl. 1 mth. loss int.
Peckham Mutual	10.50	11.00	—	—
Portman	10.25	10.50	11.75	12.50 5 yrs., 11.55 6 months' notice
Property Owners	10.25	11.00	12.25	12.50 av. 4 yrs., 12 6 mth., 11.55 3 mth.
Provincial	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Skipton	10.25	10.50	11.75	12.50 5 yrs., 11.6 WDL 1 mth. loss int.
Sussex County	10.50	10.75	12.55	12.55 5 yrs., 12.15 4 yrs., 11.75 3 yrs.
Sussex Mutual	10.50	10.85	12.50	11.25 12.50 all with special options
Town and Country	10.25	10.50	11.75	12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs.
Walthamstow	10.25	10.60	11.75	12.60 5 yrs., 11.6 6 mth. not. min. £500
Wessex	10.50	11.20	—	12.60 6 mth. not. WDL min. 3 yrs.
Woolwich	10.25	10.50	11.75	10.75 (6 mths.), rising to 12.50 (5 yrs.)

* Rates normally variable in line with changes in ordinary share rates.

All these rates are after basic rato tax liability has been settled on behalf of the investor.

(By permission of the Stock Exchange Council)

UK MONEY MARKET

Bank of England Minimum Leoding Rate 16 per cent (from July 3, 1980)

The Treasury bill rate foll by 0.1973 por cent at yesterday's tonder to 14.7524 per cent, and the minimum accopted bid roso to £96.32 from £96.24 previously. Bids at that level wero mot as to about 92 per cent and abovo in full. The £200m bills on offor attracted bids of £869.85m, and all bills offored wore allottod. Next week a further £200m will bo on offer, replacing £300m of maturities.

There was ooly a small shortago of day-to-day monoy in tho London discount market, and tho authoritios gavo assistance by lending a small amount to four or five houses at MLR, for repaymont on Monday, and by buying a small number of local authority bills. Total help was still termed as small. The market was faced with threo main factors, all in tho small category. Thore was an increase in tho note circulation, a net take up of Treasury bills to finance, and the unwinding of a previous salo and repurchaso agreement on a oumber of commercial bills. On the other hand thero was a small oxcess of Government disbursemonts over revenue transfers to the Exchoquer.

In tho interbank market weekond loans opened at 15¾-16½ per ceot and eased to 15¾-16 per cent before coming back to around 18 per cent at the close.

EXCHANGES AND BULLION

Trading in currency markets was fairly uneveotful yesterday ahead of tho weekend, with sterling showing little overall chango and the U.S. dollar finishing abovo Thursday's lovels, but at its woakest level of tho day. Movomont in the U.S. unit rosulted from tho latest rise in U.S. prime rates to 12 per cent, and soon after tho annsuncement the dollar touched its best level of tho day. Howover, oconomic and political uocertainty deterred most tradors from carrying positions over tho weekend too long in dollars, and as a result the U.S. unit fell away towards the close. Against tho D-mark it closed at DM 1.7815, up from Thursday's close of DM 1.7765, but below its bigh of the day of DM 1.7855. Similarly against the Swiss franc it finished at SwFr 1.6325 from SwFr 1.6285, after a high of SwFr 1.6385. On Bank of England figures, tho dollar's trado weigbted indox rose to 83.7 from 83.5.

Sterling tradod quiotly, and its trade weigbted index finished at 76.5, a lovol seen at every close this weok. Against the dollar it opeood at $2.4170-2.4180, and dipped to $2.4110 as the dollar improvod on tho prime rate increase. At tho closo sterling stood at $2.4130-2.4140, a fall of 55 points from Thursday.

Gold closed abovo the $650 level io tho London bullion market for the first time sioce July this yoar. It finisbod at $650-653, a rise of $4 an ounco from Thursday, and $19 on the weok.

THE POUND SPOT AND FORWARD

Sept. 5	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.4100-2.4185	2.4130-2.4140	1.22-1.12c pm	5.82	2.80-2.70 pm	4.56
Canada	2.8000-2.8105	2.8050-2.8070	1.67-1.57c pm	6.93	3.97-3.87 pm	5.59
Nethlnd.	4.66½-4.70	4.66¾-4.67¾	2¾-1¾c pm	5.78	9⅛-5⅞ pm	5.46
Belgium	68.70-69.20	68.73-68.83	32-22c pm	4.71	72-62 pm	3.90
Denmark	12.29½-13.34	13.29½-13.30½	2½-4½ore dis	−2.99	8½-10½ dis	−2.80
Ireland	1.1385-1.1425	1.1390-1.1400	0.21-0.12p pm	1.74	0.46-0.37 pm	1.46
W. Ger.	4.29-4.32	4.29½-4.30½	3¼-2¼pf pm	7.67	8¾-7¾ pm	7.32
Portugal	119.30-118.80	118.50-119.70	60c pm-30 dis	1.50	15pm-85dis	−1.17
Spain	175.40-176.50	176.15-176.35	35-90c dis	−4.25	210-285 dis	−5.62
Italy	2042-2063	2045-2047	7-10lire dis	−4.98	39-42 dis	−7.92
Norway	11.06½-11.68	11.61½-11.62½	1¼ore pm-par	0.64	7½-6½ pm	2.45
France	9.98-10.03	9.98¾-9.99¾	4⅝-3⅝c pm	4.95	11¼-10¼ pm	4.30
Sweden	10.02-10.05	10.02½-10.03½	1⅞-1⅛ore pm	1.87	2⅛-1⅜ pm	0.80
Japan	524-530	525½-526½	2.10-1.80y pm	4.45	6.70-5.40 pm	4.22
Austria	30.25-30.60	30.46-30.51	13-10gro pm	4.53	35-30 pm	4.26
Switz.	3.93½-3.96	3.93½-3.94½	4¼-3¼c pm	11.04	11½-10½ pm	10.79

Belgian rate is for convertible francs. Financial franc 69.30-69.40. Six-month forward dollar 4.24-4.19c pm. 12-month 5.60-5.70c pm.

GOLD

	Sept. 5		Sept. 4	
Gold Bullion (fine ounce)				
Close	$650-655	(£269-270¼)	$646-649	(£267-268¼)
Opening	$648-651	(£268-269¼)	$635½-639½	(£264¼-265½)
Morning fixing	$647.50	(£267.915)	$637.25	(£264.309)
Afternoon fixing	$651	(£268.376)	$647.25	(£297.238)
Gold Coins				
Krugerrand	$670-672	(£277¼-279¼)	$667-669	(£275½-277)
Mapleleaf	$664-668	(£275-278)	$664-667	(£274½-276½)
New Sovereigns	$164¼-165¼	(£68-68)	$163½-164½	(£67½-68½)
King Sovs	$194-196½	(£80¼-81¼)	$194-195	(£80-82)
Victoria Sovs	$194-195½	(£80¼-81¼)	$194-196	(£80-82)
French 20s	$156-166		$165-168	
50 pesos Mexico	$805-809		$799-802	
100 Cor. Austria	$656-659		$631-654	
$20 Eagles	$775-779		$764-768	
$10 Eagles	—		—	
$5 Eagles	—		—	

EXCHANGE CROSS RATES

Sept. 4	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.414	4.300	526.0	8.993	3.940	4.875	2046.	2.808	68.78
U.S. Dollar	0.414	1.	1.782	217.9	4.140	1.639	1.235	847.7	1.163	28.50
Deutschemark	0.253	0.681	1.	122.3	2.584	0.815	1.087	475.8	0.653	16.00
Japanese Yen 1,000	1.901	4.588	8.175	1000.	19.00	7.480	8.883	3890.	6.355	130.8
French Franc 10	1.001	2.418	4.303	526.4	10.	3.943	4.878	2048.	2.808	68.83
Swiss Franc	0.254	0.913	1.091	135.5	2.556	1.	1.186	519.3	0.712	17.46
Dutch Guilder	0.214	0.617	0.820	112.6	2.139	0.845	1.	457.8	0.601	14.72
Italian Lira, 1,000	0.489	1.180	9.102	257.1	4.884	1.926	2.284	1000.	1.571	53.52
Canadian Dollar	0.556	0.860	1.532	187.5	3.561	1.404	1.865	729.2	1.	24.51
Belgian Franc 100	1.454	3.509	6.252	764.8	14.53	5.728	6.793	2975.	4.080	100.

FT LONDON INTERBANK FIXING (11.00 a.m. SEPTEMBER 5)

5 months U.S. dollars		6 months U.S. dollars	
bid 11 7/16	offer 11 9/16	bid 11 13/16	offer 11 15/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris, and Morgan Guaranty Trust.

LONDON MONEY RATES

Long-term Eurodollar two years 12¼-12½ per cent; three years 12⅜-12⅝ per cent. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen. The following nominal rates were quoted for London dollar certificates of deposit: months 11.45-11.55 per cent; one year 11.70-11.80 per cent.

CURRENCY MOVEMENTS

Sept. 6	Bank of England Index	Morgan Guaranty Changes%
Sterling	76.5	−28.7
U.S. dollar	83.7	−0.8
Canadian dollar	80.8	−17.1
Austrian schilling	155.8	+24.3
Belgian franc	115.6	+13.6
Danish kroner	105.5	−4.7
Deutsche mark	154.7	+43.8
Swiss franc	188.5	+78.8
Guilder	126.4	+20.2
French franc	101.1	−6.0
Lira	58.7	−51.6
Yen	130.9	+28.1

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU September 5	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.5229	+1.84	+0.55	±1.53
Danish Krone	7.72336	7.82825	+1.36	+0.07	±1.64
German D-Mark	2.48208	2.53204	+2.01	+0.72	±1.125
French Franc	9.84700	9.88753	+0.69	−0.60	±1.3557
Dutch Guilder	2.74362	2.75353	+0.36	−0.93	±1.512
Irish Punt	0.668201	0.671584	+0.51	−0.78	±1.668
Italian Lira	1157.79	1203.72	+3.97	+2.78	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Rate given for Argentina is free rate.

U.K. CONVERTIBLE STOCKS 6/9/80

Statistics provided by dataSTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◊ Current
Bank Ireland 10pc Cv. 91-96	1.20	152.00	47.6	77-81	6.8	4.3	−13.7	−14 to −7	0.0	9.7	5.5	+19.2
British Land 12pc Cv. 2002	7.71	294.00	333.3	80-97	4.1	1.7	− 2.0	− 6 to 5	17.1	91.5	24.8	+26.8
Hanson Tr. 6½pc Cv. 88-93	3.02	93.00	57.1	76-81	7.0	7.3	− 5.4	− 7 to 1	3.1	0.0	− 3.2	+ 2.2
Slough Ests. 10pc Cv. 87-90	5.44	262.00	187.5	78-85	3.8		− 2.3	− 6 to −0	27.9	35.0	2.6	+ 4.9
Slough Ests. 8pc Cv. 91-94	24.88	127.00	78.0	80-91	6.4	4.9	13.9	13 to 20	25.6	48.7	20.8	+ 6.9
Wilk. Match 10pc Cv. 84-98	11.10	91.00	40.0	76-83	11.2	11.4	28.5	22 to 55	14.8	25.2	14.8	−13.7

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness.

New upsurge in Gilts sees tap stock re-activated £4 under issue price—Oils feature along with Golds

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Aug. 18	Sept. 5	Nov. 20	Dec. 1
Sept. 8	Sept. 19	Dec. 4	Dec. 15
Sept. 22	Oct. 3	Dec. 18	Dec. 29

For rate indications see end of Share Information Service

A strong and extremely active Gilt-edged sector was the dominant feature of London stock markets yesterday. Insurance and other institutions committed large funds to Gilts, possibly on the view that recent pessimism about the August banking statistics, due next Tuesday, may have been overdone. In order to relieve an acute stock shortage, the authorities re-activated the partly-paid medium tap, Treasury 11¾ per cent 1991 A, at 46, or 4 points below its issue price of July 23 and 4½ points down on the last operational level on the same day.

The weight of demand enabled the Government broker to sell further supplies of 46½ and speculation arose about the stock's imminent exhaustion. This was not achieved yesterday and on attempted heavy switching, mainly from Treasury 13 per cent 2000 into the tap, the advance lost impetus. News of Citibank's Prime rate increase to 12 per cent aided the reaction and gains stretching to some 1½ points were halved; subsequently, the absence of an announcement of a new long tap stock, the subject of much debate earlier, sent prices higher again to close around 1½ points up. Short-dated issues became less of a force after figuring prominently over the two previous trading sessions and closed only marginally better.

Equity markets took an early breather but were soon again influenced by the strength of Gilts and by a resurgence of interest in Oils on thoughts that the Saudi Arabian production cutbacks could lead to further increases in oil prices. Institutional operators were active in equities and sought sizeable lines of front-rank industrials but in most cases the stock was just not available. The FT Industrial Ordinary share index consequently transformed a loss of 1.2 at the first calculation into a closing gain of 3.6 at 494.4 to extend its rise over the past four trading sessions to 13.7.

Composites better

Gold shares climaxed a remarkable all-round market performance yesterday with fresh rises to £2 which brought the FT Gold Mines Index to within 14.3 of its best-ever level. Demand was again largely South African-inspired following U.S. interest overnight, and impinged on a market extremely short of stock.

Lonrho again attracted an active Traded options demand and contributed 350 deals to a total of 1,306, the highest of the week. The week's daily average amounted to 997. Other issues to record a good business yesterday included Commercial Union, 229 trades, and BP, 179.

Quietly firm conditions prevailed in Composite Insurances. Still drawing strength from satisfactory interim Results, Sun Alliance put on 6 making a gain on the week of 30 at 774p. General Accident closed 4 better at 340p; the price in yesterday's issue was incorrect. Elsewhere, Prudential softened a couple of pence to 236p; the first-half results are due next Thursday.

Arbuthnot Latham continued firmly among merchant banks, rising 7 more to 217p. Guinness Peat put on 4 to 140 ahead of next Thursday's preliminary results. Elsewhere, sporadic offerings ahead of Tuesday's interim statement clipped 7 from Standard Chartered to 558p.

The majority of movements in the Building sector were usually limited to a few pence either way. Fresh scattered support lifted Taylor Woodrow 4 more to 490p, while comment on the half-yearly figures helped Costain improve 2 to 186p. Fresh support left Aberdeen Construction 3 to the good at 137p, while Y. J. Lovell, a firm market recently on Press mention, hardened a similar amount to 141p.

Among Chemicals, ICI, unaltered at 362p, after 366p, failed to participate in the firmer trend in the leaders. Thurgar Bardex closed a shade dearer at 13½ following the increased interim profits.

Cornell jump

Special situations dominated secondary Stores. Cornell Dresses jumped 26 to 52p following the approach from Azania Investments, a private Jersey-registered concern. Recent speculative favourite H. Goldman ran into profit-taking after an adverse Press mention and eased 3 to 29p, still 8 higher on the week. A. G. Stanley dipped 7 to 62p on interim profits well short of market estimates; other D-I-Y issues traded lower in sympathy. Harris Queensway, 162p, reverted to unchanged, having been 166p earlier, while Home Charm finished 3 lower on balance at 102p, after 107p. Waring and Gillow were unchanged at 106p; recent references here to preliminary results being due yesterday were in error, the figures having been announced last month. Raybeck announced lower annual earnings, but the raised dividend and the chairman's confidence helped the shares gain 3 to 71p. Gussies A picked up 6 to 466p, while Marks and Spencer firmed 2 to 105p. In Shoes, Stylo shed 8 more to 110p.

Electricals again claimed a fair measure of interest. Racal featured the leaders with a rise of 13 to 322p on hopes that the company may participate in the Jaguar aircraft contract. GEC, 504p, and Thorn EMI, 380p, firmed 6 apiece, while Plessey edged up 3 to 243p. Some of the gains in secondary issues were accentuated by stock shortage. Ferranti were prominent again with a fresh rise of 13 to 460p, while STC also stood out at 448p, up 20. Kode rose 11 to 293p and Cray 7 to 68p.

A quiet day in the Engineering sector left prices with a few scattered changes. Apart from Vickers, which met sporadic demand and put on 4 to 130p, the leaders stayed close to overnight closing levels. Elsewhere, Midland Industries regained 5 to 79p on further consideration of the interim figures. Occasional support lifted Matthew Hall 4 to 282p, while Birmid Qualcast firmed 2 to 29p following the company's report of a 30 per cent increase in lawnmower sales. On the other hand, revived selling in a thin market prompted a reaction of 10 to 210p in Yarrow.

Foods remained firm, but price rises were much reduced from those seen recently. J. Sainsbury added 5, a gain of 33 on the week to 500p, while Associated Dairies hardened 2 more at 232p. Fitch Lovell closed 3 better at 79p, while Somportex firmed 10 more to 215p, up around 45 on the week. United Biscuits rose the turn to 89p ahead of next Thursday's interim figures, while good support was again noted for Bernard Matthews, up 20 for a week's rise of 30 at 255p. Amos Hinton at 82p, provided a rare downward movement, losing 4 of Thursday's gain of 13.

Myson fall

Myson dropped 5 to 53p, after 51p, on news of the interim dividend reduction and first-half profits setback. Cosalt nervously shed a penny more for a decline on the week of 6 to 30p on fears ahead of next Wednesday's half-year figures. Elsewhere in miscellaneous industrials, Aeronautical and General Instruments jumped 35 more for a rise on the week of 105 to 530p on further consideration of the proposed 100 per cent scrip-issue. Still reflecting an investment recommendation, Manchester Ship Canal added 12 more to 217p, while investment support lifted Vinten 6 to 182p, after 187p. Charles Hill of Bristol attracted buyers and put on 6 to 54p, while Hunting Associated rose 15 to 350p on buying in a thin market. Share-slimming hopes continued to bolster De La Rue, a further 10 dearer at 855p and, favourable comment ahead of Monday's interim statement helped BTR harden 3 to 381p. Central Manufacturing and Trading also benefited from comment and hardened 2 to 40p.

Thursday's unchanged MLR decision failed to deter buyers of Properties and closing gains ranged to 10. United Real added that much to 445p, while Great Portland Estates, 284p, and Haslemere Estates, 356p, rose 6 apiece. Marler Estates revived with a rise of 5 to 65p. MEPC hardened 3 to 243p and Land Securities 2 to 375p. Hong Kong issues continued to attract a good demand with Paul Y notable for a rise of 5 to 28p, after 28p, on bid hopes. Hong Kong Land fell 6 to 148p following news of the £100m assets and shares deal with Jardine Matheson, 2 dearer at 176p.

Oils good

The prospects of an increase in crude oil prices following Saudi Arabia's decision to cut back output in the fourth quarter stimulated a marked revival in the Oil sector yesterday. Buying often found the market short of stock and resulted in some substantial gains. BP firmed 10 to 358 in the leaders, while Shell hardened 4 to 412p and Lasmo gained 25 to 700p. Double Eagle, 420p, up 190p, and Warrior Resources, 75 higher at 280p, featured the exploration issues following reports of an Alaskan oil find. Burmah advanced 10 to 195p and Berkeley Exploration 11 to 185p, while Pict, 345p, and Clyde, 505p, rose 25 and 35 respectively.

Trusts made fresh headway with the emphasis again mainly on Capital stocks. Derby Trust Capital rose 8 to 215p, while Dualvest, 344p and Tor Capital, 177p improved 5 and 8 respectively. Among Financials, news of the offer for the minority in Manchester Liners by Furness Withy, prompted interest in Fashion and General, 20 higher at 220p, and Scottish and Mercantile 'A' 7 up at 150p.

Golds surge ahead

Mining markets ended the week with a flourish as another good performance by the bullion price—up $4 more to $651.50 an ounce for a week's gain of $19—encouraged heavy buying of South African Golds.

The Gold Mines index jumped a further 17.5 to 426.0, a rise on the week of 38.3 and its highest since end-May 1975. The index is now only 14.3 below its all time peak of 442.3, registered on May 22, 1975 when bullion was trading at $174.50.

Share prices raced ahead from the onset as renewed overnight American support was followed by persistent and sizeable local and Johannesburg demand in a market short of stock.

The buying interest was sustained throughout the official trading hours but tended to fall off in the after-hours' trade when profit-taking set in.

Consequently, prices closed a fraction below the day's best but heavyweights still retained gains of up to £2 and more, as in Randfontein, £33¼, and Vaal Reefs, £33½. Medium and lower-priced issues showed Doornfontein 64 ahead at 952p, Grootvlei 60 up at 515p and Unisel 53 firmer at 580p.

The buying of Golds spilled over into South African Financials where Anglo American and De Beers both ended around 15 higher at 700p and 450p respectively. Geneor, 30 up at 930p, were additionally boosted by the sharply increased half-year profits and dividend. London Financials, however, remained quietly steady.

Australian Golds attracted strong demand with Poseidon 17 to the good at 270p, GMK 10 up at 438p and North Kalgurli 5 higher at 96p. Whim Creek added 4 to 94p.

Haoma Gold, 14 firmer at 166p, and North West Mining, 10 stronger at 144p, reflected the sharp rise in Strata Oil.

Reports that the Alpha oil-shale deposit in Queensland could be in production in three years lifted Greenvale and Esperance 5 apiece to 220p and 270p respectively.

Elsewhere, Hemerdon Mining and Smelting gave up 10 to 80p, but South West Consolidated Minerals added a further 4 to 43p. Strong demand from Johannesburg lifted Cons. Murchison 40 to 340p, after 360p.

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Aug. 18	Sept. 5	Nov. 20	Dec. 1
Sept. 8	Sept. 19	Dec. 4	Dec. 15
Sept. 22	Oct. 3	Dec. 18	Dec. 29

For rate indications see end of Share Information Service

Options attracted a better business than of late and calls were arranged in Dunlop, Benlox, FNFC, LRC, Burmah Oil, House of Fraser, Bougainville, Westminster Properties, C. H. Bailey, Premier Oil, Silvermines, Loraine, Raglan Property, Coral Leisure, Aran Energy, Foward Technology, North Kalgurli, Metramar and Berkeley Exploration. Puts were done in Thomas Borthwick and Land Securities, while doubles were struck in Lonrho, Endeavour and STC.

FT-Actuaries

For August 5 to September 3 inclusive, the index values of groups 21, 49, 59 and 99 were all understated, by percentages of 0.3306, 0.1409, 0.1122 and 0.0931 respectively, due to a computer malfunction.

In numerical terms, the errors ranged from 0.26 to 0.80. The correct index values are:—

Date	Group 21	Group 49	Group 59	Group 99
Aug. 5	234.27	250.47	292.14	279.27
" 6	230.81	246.11	288.04	275.26
" 7	232.09	247.76	290.77	276.89
" 8	233.90	249.66	293.11	279.52
" 11	234.06	250.08	293.96	279.97
" 12	234.87	250.90	294.29	280.62
" 13	232.57	248.45	291.23	278.37
" 14	233.88	249.16	292.64	279.50
" 15	236.50	252.02	295.44	282.82
" 18	236.90	252.97	296.15	284.01
" 19	237.74	253.63	296.48	284.69
" 20	239.21	254.95	298.26	286.48
" 21	242.73	258.19	301.61	289.41
" 22	243.51	259.24*	302.39*	290.27†
" 26	244.01*	258.72	301.60	289.79
" 27	242.78	257.43	299.64	287.99
" 28	237.25	252.56	294.51	283.11
" 29	237.83	252.42	294.13	282.75
Sept. 1	237.72	251.99	292.69	281.60
" 2	238.15	252.84	294.23	282.83
" 3	240.75	255.85	297.53	285.94

* 1980 high. † Highest since compilation.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri., Sept. 5, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs. Sept. 4 Index No.	Wed. Sept. 3 Index No.	Tues. Sept. 2 Index No.	Mon. Sept. 1 Index No.	Year ago (approx.) Index No.	1980 High	1980 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (171)	286.35	+0.8	15.80	5.77	7.64	284.03	282.68	279.05	278.09	247.59	288.49 (22/8)	208.87 (3/1)	288.49 (22/8/80)	50.71 (13/12/74)
2	Building Materials (28)	253.15	+0.3	18.27	6.74	6.49	252.31	251.12	251.88	251.87	234.23	268.14 (21/7)	194.00 (3/1)	270.52 (8/5/79)	44.27 (11/12/74)
3	Contracting, Construction (27)	422.38	+0.6	22.01	5.77	5.39	419.75	416.33	412.75	411.50	390.92	424.31 (22/8)	313.00 (3/1)	451.74 (4/5/79)	71.48 (2/12/74)
4	Electricals (17)	864.94	+1.6	11.14	3.07	11.00	851.53	846.45	831.03	826.70	636.38	864.94 (5/9)	539.56 (2/1)	864.94 (5/9/80)	84.71 (25/6/62)
5	Engineering Contractors (11)	341.91	+0.4	18.19	7.62	6.94	340.68	335.76	331.96	332.71	347.91	341.91 (5/9)	264.74 (30/5)	429.70 (4/5/79)	64.39 (2/1/75)
6	Mechanical Engineering (72)	183.19	+0.3	16.44	7.25	7.39	182.64	182.00	179.24	178.74	170.92	190.20 (18/7)	146.46 (3/1)	211.08 (8/5/79)	45.43 (6/1/75)
8	Metals and Metal Forming (16)	167.09	+0.4	21.08	10.05	5.66	166.40	166.82	163.24	162.10	162.16	173.09 (18/7)	141.95 (2/1)	192.29 (4/5/79)	49.65 (6/1/75)
	CONSUMER GOODS														
11	(DURABLE) (49)	248.67	+1.6	15.07	5.14	9.12	244.78	244.34	241.11	239.28	240.34	248.67 (5/9)	184.82 (3/1)	259.88 (8/5/79)	38.39 (6/1/75)
12	Lt. Electronics, Radio, TV (14)	384.68	+2.2	12.57	3.66	12.17	376.34	375.83	371.35	366.86	344.11	384.68 (5/9)	247.36 (3/1)	384.68 (5/9/80)	42.85 (13/12/74)
13	Household Goods (14)	89.16	−0.1	27.18	11.49	4.64	89.26	88.67	87.06	87.54	147.16	116.40 (1/1)	87.06 (2/9)	263.22 (4/5/72)	63.92 (17/12/74)
14	Motors and Distributors (21)	100.94	−0.3	21.91	9.31	5.26	101.27	101.02	99.31	99.93	112.66	115.86 (29/1)	94.70 (4/6)	170.59 (15/1/69)	19.91 (6/1/75)
	CONSUMER GOODS														
21	(NON DURABLES) (172)	243.31	+0.6	17.03	6.64	7.09	241.91	240.75	238.15	237.72	238.21	244.01 (26/8)	200.15 (3/1)	269.81 (4/5/79)	61.41 (13/12/74)
22	Breweries (14)	291.09	+0.8	15.62	6.33	7.47	288.64	288.20	289.56	290.43	288.67	306.45 (8/7)	248.93 (3/1)	306.45 (8/7/80)	69.47 (13/12/74)
23	Wines and Spirits (5)	330.33	+0.9	18.51	6.17	6.39	327.48	325.14	325.14	324.35	328.96	330.33 (5/9)	278.92 (2/6)	352.29 (29/3/79)	78.88 (13/12/74)
24	Entertainment, Catering (17)	337.55	+0.5	17.17	6.62	7.17	336.03	332.98	331.69	333.20	309.89	349.80 (7/7)	268.87 (3/1)	374.32 (3/5/79)	54.83 (9/1/75)
25	Food Manufacturers (22)	223.31	−0.1	18.12	6.77	6.50	223.53	221.74	218.64	218.43	211.10	223.53 (4/9)	183.95 (28/3)	236.75 (4/5/79)	59.67 (11/12/74)
26	Food Retailing (13)	387.27	+0.9	12.10	4.00	9.83	383.71	377.33	365.91	366.43	308.89	387.27 (5/9)	286.28 (3/1)	387.27 (5/9/80)	54.25 (11/12/74)
32	Newspapers, Publishing (12)	431.84	+0.1	22.17	7.25	6.03	431.43	427.35	427.75	426.59	423.28	455.30 (14/2)	378.52 (3/1)	492.56 (8/5/79)	55.08 (6/1/75)
33	Packaging and Paper (15)	128.82	+0.4	27.68	10.16	4.20	128.26	129.91	129.15	127.51	131.47	140.51 (21/7)	111.30 (3/1)	155.65 (14/9/78)	43.46 (6/1/75)
34	Stores (45)	241.30	+1.2	12.87	5.20	10.13	238.48	238.07	235.29	234.02	238.13	242.07 (26/8)	188.71 (3/1)	273.48 (4/5/79)	52.63 (6/1/75)
35	Textiles (21)	119.77	−1.3	27.10	12.91	4.49	121.29	121.32	119.46	119.41	153.94	140.52 (14/7)	116.89 (6/6)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	230.71	—	24.88	10.09	4.57	230.71	228.74	223.81	223.81	246.49	239.09 (8/7)	192.86 (3/1)	339.16 (2/8/72)	94.34 (13/6/62)
37	Toys and Games (5)	25.78	−0.7	8.72	14.79	26.50	25.97	25.62	26.09	26.09	71.99	47.59 (1/1)	25.08 (16/6)	135.72 (16/1/70)	20.92 (6/1/75)
41	OTHER GROUPS (99)	227.59	+0.4	15.55	6.84	7.71	226.79	226.60	223.92	222.84	208.03	230.85 (21/7)	184.19 (3/1)	234.76 (8/5/79)	58.63 (6/1/75)
42	Chemicals (16)	315.85	+0.3	17.20	7.63	6.81	314.87	315.40	312.19	309.40	295.37	326.53 (7/7)	276.80 (3/1)	329.77 (4/5/79)	71.20 (1/12/74)
43	Pharmaceutical Products (7)	234.23	+0.5	10.80	5.91	11.45	233.17	232.86	229.41	229.18	228.07	241.07 (7/7)	175.38 (28/5)	291.13 (14/9/78)	175.38 (28/5/80)
44	Office Equipment (6)	107.35	+0.1	19.15	7.73	6.10	107.27	106.61	104.67	105.38	121.00	123.10 (14/2)	98.57 (2/6)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping (10)	608.28	+0.5	12.62	5.85	9.66	605.24	603.69	596.67	596.59	460.81	617.88 (22/8)	411.53 (10/1)	617.88 (22/8/80)	90.80 (29/6/62)
46	Miscellaneous (60)	283.15	+0.4	16.40	6.59	7.43	282.13	281.64	278.54	277.08	245.41	287.99 (31/7)	211.86 (3/1)	287.99 (31/7/80)	60.39 (6/1/75)
49	INDUSTRIAL GROUP (491)	258.50	+0.7	16.22	6.34	7.49	256.79	255.85	252.84	251.99	240.76	259.24 (22/8)	203.76 (3/1)	273.01 (4/5/79)	59.01 (13/12/74)
51	Oils (9)	801.24	+2.3	30.21	6.45	3.68	783.40	781.00	774.34	764.57	630.06	840.16 (5/3)	668.86 (8/1)	840.16 (5/3/80)	87.23 (29/5/62)
59	500 SHARE INDEX	301.56	+1.0	19.10	6.36	6.18	298.59	297.53	294.23	292.69	272.50	302.39 (22/8)	241.13 (3/1)	308.20 (4/5/79)	63.49 (13/12/74)
61	FINANCIAL GROUP (118)	241.27	+0.7	—	5.36	—	239.69	237.67	235.44	235.50	191.84	241.27 (5/9)	175.85 (3/1)	241.41 (11/4/72)	55.88 (13/12/74)
62	Banks (6)	241.94	+0.4	42.23	6.95	2.83	240.97	239.16	236.50	236.05	216.03	247.68 (16/7)	201.01 (8/4)	288.32 (20/7/72)	62.44 (12/12/74)
63	Discount Houses (10)	286.36	−0.5	—	6.19	—	287.89	285.63	280.00	280.00	259.45	303.18 (23/7)	206.50 (18/3)	303.18 (23/7/80)	81.40 (10/12/74)
64	Hire Purchase (5)	223.78	+1.7	13.74	4.51	9.48	219.98	219.71	217.33	218.21	172.98	253.41 (24/7)	160.72 (3/1)	433.74 (4/5/72)	38.83 (11/12/74)
65	Insurance (Life) (10)	241.26	−0.2	—	5.29	—	241.84	240.90	238.69	240.02	159.82	250.02 (26/8)	151.80 (3/1)	250.02 (26/8/80)	44.88 (2/1/75)
66	Insurance (Composite) (9)	171.15	+1.7	—	6.58	—	168.29	164.93	164.22	164.16	127.98	171.15 (5/9)	117.05 (3/1)	171.15 (5/9/80)	43.96 (13/12/74)
67	Insurance Brokers (9)	318.58	−0.6	14.54	7.24	9.42	320.40	322.93	327.24	327.99	271.87	349.01 (21/7)	256.48 (3/1)	372.27 (11/8/78)	65.86 (16/12/74)
68	Merchant Banks (12)	141.67	+0.1	—	5.02	—	141.54	140.83	139.34	140.37	101.60	143.60 (26/8)	87.47 (3/1)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (45)	453.25	+0.9	3.13	2.59	44.51	449.08	445.99	438.84	437.69	364.91	453.25 (5/9)	304.20 (3/1)	453.25 (5/9/80)	56.01 (20/4/65)
70	Miscellaneous (12)	147.05	−0.3	14.03	6.04	9.06	147.44	146.96	146.12	146.85	121.94	148.88 (26/8)	119.62 (3/1)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	270.22	+0.3	—	5.36	—	269.32	266.04	263.60	264.29	213.65	271.25 (26/8)	188.97 (3/1)	271.25 (26/8/80)	71.63 (13/12/74)
81	Mining Finance (3)	248.36	+0.2	12.09	4.22	9.96	247.99	243.75	238.84	231.85	129.51	251.03 (22/8)	161.95 (1/1)	251.03 (22/8/80)	66.31 (30/9/74)
91	Overseas Traders (20)	433.25	+0.4	11.61	6.81	10.38	431.68	430.03	425.90	424.46	344.94	438.48 (26/8)	330.03 (3/1)	438.48 (26/8/80)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	289.93	+0.9	—	6.07	—	287.48	285.94	282.83	281.60	249.84	290.27 (22/8)	225.06 (3/1)	290.27 (22/8/80)	61.92 (13/12/74)

FIXED INTEREST PRICE INDICES

	British Government	Fri., Sept. 5	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	105.62	+0.23	—	7.62
2	5-15 years	111.12	+0.71	—	8.72
3	Over 15 years	116.41	+1.19	—	9.56
4	Irredeemables	128.73	+1.18	—	9.02
5	All stocks	110.78	+0.74	—	8.52

FIXED INTEREST YIELDS
British Govt. Av. Gross Red.

			Fri., Sept. 5	Thurs. Sept. 4	Year ago (approx.)	1980 Highs	1980 Lows
1	Low Coupons	5 years	11.91	12.00	10.13	13.32 (4/3)	11.17 (21/7)
2		15 years	11.90	12.00	10.58	13.12 (4/3)	11.11 (21/7)
3		25 years	11.90	12.00	11.03	13.12 (4/3)	11.11 (21/7)
4	Medium Coupons	5 years	13.31	13.41	11.95	15.37 (4/3)	12.45 (21/7)
5		15 years	13.28	13.41	12.10	14.71 (4/3)	12.40 (21/7)
6		25 years	13.25	13.41	12.24	14.50 (4/3)	12.35 (23/7)
7	High Coupons	5 years	13.43	13.50	12.42	15.44 (4/3)	12.71 (17/7)
8		15 years	13.70	13.83	12.59	15.06 (4/3)	12.81 (21/7)
9		25 years	13.42	13.61	12.49	14.92 (4/3)	12.63 (23/7)
10	Irredeemables		11.45	11.58	10.83	12.53 (21/3)	10.80 (21/7)

		Fri., Sept. 5 Index No.	Yield %	Thur. Sept. 4	Wed. Sept. 3	Tues. Sept. 2	Mon. Sept. 1	Fri. Aug. 29	Thur. Aug. 28	Wed. Aug. 27	Year ago app'x	1980 Highs	1980 Lows	Since Compilation Highs	Since Compilation Lows
15	20-yr. Red. Deb. & Loans (15)	52.71	14.05	52.70	52.80	52.81	52.25	51.77	52.34	52.44	55.85	55.86 (28/7)	47.12 (7/1)	113.43 (28/11/69)	37.06 (4/1/74)
16	Investment Trust Prefs. (15)	50.54	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
17	Coml. and Indl. Prefs. (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Equity Section or Group	Base Date	Base Value
Pharmaceutical Products	30/12/77	261.77
Other Groups	31/12/74	63.75
Overseas Traders	31/12/74	100.00
Engineering Contractors	31/12/71	153.84
Mechanical Engineering	31/12/71	153.84
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	128.20
Industrial Group	31/12/70	128.20
Miscellaneous Financial	31/12/70	128.06
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
All Other	10/4/62	100.00
British Government	31/12/75	100.00
Debs. & Loans	31/12/77	100.00

† Redemption yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 25p. A fortnightly record of group and subsection indices, dividend yields and earnings figures since 1962, with quarterly highs and lows of the indices, is obtainable from the Book Sales Department, F.T. Business Publishing Limited, Minster House, Arthur Street, London, EC4R 9AX, at £50 per year. [illegible] has been replaced by Crossfriars Trust (Investment Trusts).

FINANCIAL TIMES STOCK INDICES

	Sept. 5	Sept. 4	Sept. 3	Sept. 2	Sept. 1	Aug. 29	A year ago
Government Secs.	69.44	68.93	69.04	68.50	68.09	67.72	73.18
Fixed Interest	70.60	70.16	69.95	69.61	69.27	69.84	73.57
Industrial	494.4	490.8	489.8	482.7	480.7	483.9	473.5
Gold Mines	426.0	410.5	405.0	401.0	387.1	389.7	188.3
Ord. Div. Yield	7.41	7.47	7.47	7.57	7.59	7.55	6.69
Earnings, Yld. % (full)	17.54	17.37	17.36	17.68	17.65	17.54	17.12
P/E Ratio (net) (*)	6.94	7.02	7.02	6.93	6.90	6.94	7.35
Total Bargains	18,731	18,787	18,365	18,988	16,373	19,550	15,889
Equity turnover £m.	—	116.00	97.88	93.95	80.42	122.83	75.29
Equity bargains total	—	13,502	14,046	11,863	11,851	14,724	12,28[illegible]

10 am 489.6. 11 am 493.3. Noon 494.0. 1 pm 494.1. 2 pm 494.1. 3 pm 493.9.

Latest Index 01-246 8026.

*Nil=6.47.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1980 High	1980 Low	Since Compilat'n High	Since Compilat'n Low
Govt Secs.	72.54 (21/7)	63.85 (7/8)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	74.08 (24/7)	64.70 (18/8)	150.4 (28/11/47)	50.53 (3/1/75)
Ind.Ord.	503.1 (16/7)	406.9 (3/1)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	426.0 (5/9)	[illegible]	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Sept. 5	Sept. 4
—Daily		
Gilt Edged	105.1	108.9
Industrials	105.7	99.0
Speculative	67.3	50.0
Totals	74.0	68.7
5-day Avrge.		
Gilt Edged	104.5	144.0
Industrials	102.6	102.8
Speculative	50.6	[illegible]
Totals	[illegible]	[illegible]

NEW HIGHS AND LOWS FOR 1980

The following shares quoted in the Share Information Service yesterday attained new Highs and Lows for 1980.

NEW HIGHS (169)

AMERICANS (5)
BANKS (2)
BEERS (2)
BUILDINGS (5)
CHEMICALS (1)
DRAPERY & STORES (1)
ELECTRICALS (12)
ENGINEERING (5)
FOODS (9)
HOTELS (1)
INDUSTRIALS (10)
INSURANCE (7)
LEISURE (2)
MOTORS (1)
NEWSPAPERS (1)
PAPER (3)
PROPERTY (17)
TEXTILES (1)
TRUSTS (45)
OIL & GAS (3)
OVERSEAS TRADERS (3)
MINES (33)

NEW LOWS (20)

BUILDINGS (1)
Leyland Paint
CHEMICALS (1)
Croda International
STORES (1)
Sellincourt
ENGINEERING (3)
Amal. Power Yarrow
Triplex Foundries
FOODS (1)
Bluebird Confectionery
HOTELS (1)
Ryan Hotels
INDUSTRIALS (4)
BBA Peerless
Hollis Bros. & E.S.A. Sparrow (G. W.)
PAPER (2)
East Lancs. Paper Usher-Walker
SHOES (3)
Headlam Sims Stylo Shoes
Scott (David)
TEXTILES (1)
Blackwood Morton
TRUSTS (1)
Lamont
MINES (1)
Hemerdon

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	88	3	3	348	76	46
Corpns., Dom. and Foreign Bonds	20	2	43	105	11	210
Industrials	291	148	955	1,435	800	4,725
Financial and Prop.	186	47	262	810	290	1,377
Oils	35	4	17	130	62	88
Plantations	—	4	20	16	20	67
Mines	87	14	58	331	152	312
Others	46	43	75	246	155	425
Totals	753	265	1,433	3,421	1,566	7,280

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]	F.P.	—	280	213	Brint Invs.	[illegible]					
[illegible]	F.P.	—	358	356	IP Restricted Trans.	356	+2	[illegible]			
160	F.P.	—	[illegible]	[illegible]	[illegible]	[illegible]					
68	F.P.	—	[illegible]	[illegible]	Charterh'se Petrol	[illegible]					
[illegible]	F.P.	—	[illegible]	[illegible]	Energy Capital	[illegible]					
160	F.P.	—	[illegible]	[illegible]	Marinex	[illegible]					
[illegible]	F.P.	—	[illegible]	[illegible]	Rolls & Nailand	[illegible]					
[illegible]	F.P.	—	[illegible]	[illegible]	Shackleton Petrol	[illegible]					
[illegible]	F.P.	—	85	75	Utd. Electronic 20p	79	+4	[illegible]			

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price £	+ or −
[illegible]	F.P.	23/7	124	109	British Home Stores 9% Cnv. Ln. '92	118	
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	108	
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	10% Conv Uns Ln 1996	104	
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Newcastle & Gateshead Water 9¾% Red Pf.	97	
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	South Staff. Water 9¾% Rd. Pf. '85	[illegible]	
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Sunderl'd & S.Shields Wtr 9¾% Red. Prf. 1985	[illegible]	
[illegible]	F.P.	22/10	105	[illegible]	Tibbets 7% Con. Cum. Red. Pref.	[illegible]	

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p	+ or −
300	Nil	[illegible]	[illegible]	[illegible]	Blue Circle	[illegible]	
92	F.P.	[illegible]	[illegible]	[illegible]	Coalite	140	
13	F.P.	[illegible]	[illegible]	[illegible]	Derritron	15	
100	F.P.	[illegible]	[illegible]	[illegible]	Ferranti	465	
80	F.P.	[illegible]	[illegible]	[illegible]	Link	87	
120	F.P.	[illegible]	[illegible]	[illegible]	McKay Secs.	155	
220	Nil	[illegible]	[illegible]	[illegible]	Moorgate Mercantile	[illegible]	
14	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
76	F.P.	[illegible]	[illegible]	[illegible]	Polly Peck	[illegible]	
11	Nil	[illegible]	[illegible]	[illegible]	Spencer Gears	[illegible]	

Renunciation date usually last day for dealing free of stamp duty. [illegible]

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Rothschild Asset Management (C.I.) [illegible]

Henderson Admin. (Guernsey) Ltd. [illegible]

Henderson Baring Group [illegible]

Rothschild Asset Mgt. (Bermuda) [illegible]

Hill-Samuel & Co. (Guernsey) Ltd. [illegible]

Save & Prosper International [illegible]

Hill Samuel Invest. Mgmt. Intnl. [illegible]

N.V. Interbeheer [illegible]

International Pacific Inv. Mgmt. Ltd. [illegible]

Jardine Fleming & Co. Ltd. [illegible]

Schroder Life Group [illegible]

Leopold Joseph & Sons (Guernsey) [illegible]

J. Henry Schroder Wagg & Co. Ltd. [illegible]

Kemp-Gee Management Jersey Ltd. [illegible]

Sentry Assurance International Ltd. [illegible]

Keyser Ullmann Ltd. [illegible]

Singer & Friedlander Ldn. Agents [illegible]

King & Shaxson Mgrs. [illegible]

Standard Chartered Intl. Bd. Fd. [illegible]

Stronghold Management Limited [illegible]

Kleinwort Benson Limited [illegible]

Surinvest (Jersey) Ltd. [illegible]

Surinvest Trust Managers Ltd. [illegible]

TSB Unit Trust Managers (C.I.) Ltd. [illegible]

Lazard Brothers & Co. (Jersey) Ltd. [illegible]

TSB Gilt Fund Managers (C.I.) Ltd. [illegible]

Lloyds Bk. (C.I.) U/T Mgrs. [illegible]

Tokyo Pacific Holdings N.V. [illegible]

Lloyds Bank International, Geneva [illegible]

Tokyo Pacific Hldgs. (Seaboard) N.V. [illegible]

M & G Group [illegible]

Tyndall Group [illegible]

Management International Ltd. [illegible]

Midland Bank Tst. Corp. (Jersey) Ltd. [illegible]

Samuel Montagu Ldn. Agents [illegible]

Utilife Assurance (Overseas) Ltd. [illegible]

Union-Investment-Gesellschaft mbH [illegible]

Murray, Johnstone (Inv. Adviser) [illegible]

Utd. Intnl. Mngmnt. (C.I.) Ltd. [illegible]

Nat. Westminster Jersey Fd. Mgrs. Ltd. [illegible]

van Cutsem & Associates Ltd. [illegible]

Negit S.A. [illegible]

S. G. Warburg & Co. Ltd. [illegible]

N.E.L. International Ltd. [illegible]

Warburg Invest. Mngt. Jrsy. Ltd. [illegible]

Pacific Basin Fund [illegible]

Phoenix International [illegible]

Wardley Investment Services Ltd. [illegible]

Providence Capitol Life Ass. Co. Ltd. [illegible]

World Wide Growth Management [illegible]

Quest Fund Management (Jersey) Ltd. [illegible]

Wren Commodity Trust [illegible]

RBC Investment Managers Limited [illegible]

Richmond Life Ass. Ltd. [illegible]

NOTES

[illegible]

هكذا من الأصل

هكذا من الأصل

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Amer. Gth. Tst.	51.2	55.1	-0.2	2.63
Abbey Capital	42.3	45.7	+0.2	5.36
Abbey General	53.1	57.4	+0.3	5.47
Abbey Gilt & F.I. Tst.	111.7	117.6	+1.1	11.63
Abbey Income	34.7	37.5	+0.2	9.25
Abbey W'Wide Bd Tst.	92.4	97.8	-0.2	6.85
Abbey Inv. Tst. Fnd.	45.7	49.4xd	+0.2	5.14
Equitas Prog. Trust	80.6	87.1	+0.6	4.95

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt Trust	89.8	94.5xd	.....	12.92

Allied Hambro Ltd. (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459.

Balanced Funds				
Allied 1st	84.7	90.6xd	+0.2	6.13
Brit. Inds. Fund	76.5	81.9	+0.3	6.35
Growth & Income	47.4	50.7	+0.2	5.48
Elect. & Ind. Dev.	42.8	45.8	+0.1	5.35
Allied Capital	90.7	97.0	+0.4	4.59
Hambro Fund	137.1	148.3	+0.2	4.19
Hambro Acc. Fund	166.5	178.1	+0.7	5.05
Income Funds				
High Yield Fd.	64.5	69.0xd	+0.2	10.00
High Income	75.5	80.8xd	+0.1	7.86
A. H. Eq. Inc.	44.1	47.2xd	.....	7.89
Govt. Secs.	26.0	26.7	+0.3	21.92
International Funds				
International	31.5	33.7	.....	3.20
Pacific Fund	53.2	56.9	-0.1	2.16
Secs. Of America	63.9	68.4	-0.2	2.63
Specialist Funds				
Smaller Co.'s Fd.	51.4	55.0	+0.1	4.64
2nd Smlr. Co's Fd.	59.7	63.9xd	+0.2	4.69
Recovery Sits.	128.0	137.0	.....	6.07
Met. Min. & C'dty.	67.4	72.1	+0.2	4.09
Overseas Earnings	66.0	70.6	+0.3	5.45
Exempt Funds				
Income Exempt	—	50.0	.....	8.50
Far East Exempt	58.6	60.9	-0.2	2.46
Smaller Co. Exempt	79.9	83.9	+0.3	4.77
U.S.A. Exempt	109.7	114.1xd	-1.7	3.07

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 623 9231

Anderson U.T.	63.2	68.7	.....	4.84

Ansbacher Unit Mgmt. Co. Ltd.
1, Noble St., EC2V 7JA. 01-623 6376

Inc. Monthly Fund	140.0	150.0xd	.....	12.50

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London, EC4R 1BY. 01-236 5281

Capital	28.3	[illegible]	.....	[illegible]
Commodity	89.7	[illegible]	.....	[illegible]
(Accumulation)	137.7	[illegible]	.....	[illegible]
(10% Withdrawal)	69.7	[illegible]	.....	[illegible]
Eastern & Internatl.†	32.4	[illegible]	.....	[illegible]
(6% Withdrawal)	22.6	[illegible]	.....	[illegible]
Extra Income	98.5	[illegible]	+0.7	[illegible]
(Accumulation)	106.6	[illegible]	+1.0	[illegible]
Finance & Property*	24.4	[illegible]	.....	[illegible]
Foreign††	114.7	[illegible]	.....	[illegible]
Giants	42.0	[illegible]	.....	[illegible]
(Accumulation)	53.8	[illegible]	.....	[illegible]
Gilt & Fixed	43.6	[illegible]	+0.3	[illegible]
(Accumulation)	45.7	47.4	+0.3	[illegible]
Growth	40.0	43.2	+0.4	[illegible]
(Accumulation)	51.6	55.7	+0.3	[illegible]
High Income	35.6	38.4xd	+0.1	[illegible]
(Accumulation)	58.0	62.6xd	+0.1	[illegible]
(8½% Withdrawal)	47.3	51.0xd	+0.1	[illegible]
High Yield	42.1	45.4xd	+0.2	[illegible]
(Accumulation)	72.2	77.9xd	+0.3	[illegible]
North American††	31.9	34.4	.....	[illegible]
Preference	22.5	24.5	.....	[illegible]
(Accumulation)	42.3	46.0	-0.1	[illegible]
Smaller Companies*	29.5	31.8	.....	[illegible]

Dealings: †Tues. *Wed. ††Thurs. ‡Friday.

Confederation Funds Mgt. Ltd. (a)
50, Chancery Lane, WC2A 1HE. 01-242 0282

Growth Fund	66.1	69.5	.....	3.95

For Cosmopolitan see Chieftain Fund Managers.

Craigmount Unit Tst. Mgrs. Ltd.
40 Sudderbury, London EC4N 8BD. 01-248 4984

High Income	36.5	39.9	.....	11.35
North American	53.5	57.4	+0.1	3.00
Canadian Exempt*	60.5	63.9	.....	3.70
Canadian Trust	58.5	63.7	.....	2.82
Mid Mount High Inc.*	47.8	50.6xd	.....	9.54
Recovery	55.4	60.4	+0.4	7.16
Gilt Trust	43.7	45.7xd	+0.2	12.07

*Weekly dealing day Wednesday.

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931

Cres. Amer. Fd.	32.7	35.3	.....	1.06
Cres. Internat'l.	65.8	71.0	+0.2	2.46
Cres. High. Dist.	41.9	45.2	+0.1	10.79
Cres. Reserves	49.5	53.4xd	+0.3	5.62
Cres. Tokyo	21.2	22.8xd	-0.2	1.00

Dartington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon 0271 76324

Total Perf. Unit Ts.	24.2	25.6	.....	12.70

Discretionary Unit Fund Managers
Bilbao Hse, 36/38 New Broad St, EC2M 1NU.
01-638 4485

Disc. Inc. Aug. 29	223.7	238.5	.....	5.50

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	SF4.65	4.75	-0.04	7.60
Gt. Winchester O'seas	23.8	26.4	.....	4.22

Emson & Dudley Tst. Mngmt. Ltd.
28b Albemarle St., W1. 01-493 3211

Emson Dudley Tst.	82.1	88.3	.....	6.00

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	85.7	90.2	+0.3	4.84

Fidelity International Management Ltd.
62-63, Queen St., London, EC4R 1AD. 01-248 4891

American	28.6	30.8	-0.1	1.08
Gilt + Fixed Int.	25.5	26.9	+0.2	12.23
Growth + Income	31.2	33.6	.....	7.26
Special Sits.	33.8	36.4xd	+0.4	2.50

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	33.0	35.5	.....	1.68
Accum. Units	40.6	43.6	.....	1.68
J. Finlay High Income	35.2	37.8	.....	10.18
J. Finlay Euro.Fin.	21.8	23.4	.....	3.81
Accum. Units	27.2	29.3	.....	3.81
J. Finlay Fd.In.Tst.	37.7	40.5	.....	6.23
Accum. Units	46.5	50.0	.....	6.23

Prices on Sept. 3. Next dealing Sept. 10.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ. 01-628 5181

American Sept. 1	62.4	66.6xd	.....	0.99
Am. T'aroud Sept. 1	60.0	64.0	.....	1.01
Capital Tst.	58.4	62.4	.....	5.39
(Accum. Units)	59.4	63.4	+0.2	5.39
Extra Income Trust	49.8	53.2xd	.....	10.25
Income Tst.	39.0	41.6	.....	8.14
Int. Growth Fd.	52.8	56.4	+0.2	1.82
(Accum. Units)	56.2	60.0	+0.2	1.82

Friends' Provdt. Trust Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Units	58.4	62.4	+0.3	4.46
Do. Accum.	82.3	88.0	+0.5	4.46

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital Sept. 4	133.3	136.3	+3.4	5.02
Gross Inc. Sept. 4	80.5	82.6	-0.4	11.98
High Yield Sept. 4	91.2	94.2xd	-3.9	10.54

*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16, Finsbury Circus, EC2M 7DJ. 01-628 8131

G.T. Cap. Income	137.3	147.6	+3.2	2.80
Do. Acc.	174.1	187.2	+3.9	2.80
G.T. Inc. Fd. Un.	193.6	208.1xd	+5.9	8.40
G.T. U.S. & Gen.	163.5	175.8	+4.4	2.20
GT Wld. Bd. Fd.	95.0	98.9	+0.9	6.60
G.T. Japan & Gen.	76.3	82.0	+0.3	2.10
♦Gt. Pens. Ex. Fd.	285.0	293.9	+8.7	2.80
G.T. Int'l. Fund	197.6	212.4xd	+2.6	1.70
G.T. Four Yds. Fd.	53.9	57.9	+1.1	7.50
G.T. Far East & Gen.	64.0	68.8	-0.7	2.50

G. & A. Trust (a) (g)

INSURANCE PROPERTY BONDS

OFFSHORE & OVERSEAS FUNDS

Albany Fund Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933

Albany $ Fd. (CI)	US$159.05	161.01xd	+3.53	1.41

Next dealing Sept. 26.

Alexander Fund
37, rue Notre-Dame, Luxembourg.

Alexander Fund	US$12.84	—	.....	—

Net asset value Sept. 2

Allen Harvey & Ross Inv. Mgt. (C.I.)
1 Charing Cross, St. Helier, Jsy., C.I. 0534-73741

AHR Dollar Inc. Fd.	US$10.20	10.22	.....	10.73
AHR Gilt Edg. Fd.	£11.88	11.93xd	.....	13.21

Alliance International Dollar Reserves
c/o Bank of Bermuda, Hamilton, Bermuda.
Adv.: ACMI, 319 High Holborn WC1. 404 0377
Daily dealings: Sept. 4 0.000244 (9.3% p.a.).

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey. 0534 76077

East & Intl. Tst. (CI)	124.0	130.0	.....	2.88

Dealing day Thurs.

Gov't Secs. Tst. (CI)	82.6	86.9xd	+0.2	24.68

Daily Dealings.

Sterling Fd.	114.9	115.3	.....	—

Dealing on Wed.

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.

Wldinvest Income	US$108.18	109.24	+1.21	9.15

Prices at Sept. 4. Next sub. day Sept. 10.

Banque Bruxelles Lambert
2, Rue De la Regence B 1000 Brussels

Renta Fund	US$58.92	60.73	+0.37	8.94

Barbican Managers (Jersey) Ltd.
P.O. Box 63, St. Helier, Jersey 0534 74806

Barb. Int. Fund	93.1	100.0	.....	5.00

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Overseas Income	42.1	44.3xd	+1.0	14.00

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

High	Low	Stock	Price £	+ or −	Int.	Red.
91	82¼	Aust. 5½pc '81-82	87¾xd	......	6.24	14.13
85¼	72½	Do. 6pc 1981-83	83½	......	7.32	12.97
67	58	N.Z. 7¼pc 1988-92	65	......	11.57	13.44
87½	72	Do. 7½pc '83-86	80¼	......	9.54	12.83
95¾	88	Sth. Africa 9½pc '79-81	96¼	......	10.21	14.20
160	95	S. Rhod. 2½pc Non-Ass.	99	......	—	29.38
169	133	Do. 6pc '78-81 N.-As.	145	......	—	27.87

LOANS

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

High	Low	Stock	Price	+ or −	Div. Gross	Cvr	Yld Gr's
14	855p	Incoll	10⅛	−¼	72c	—	2.7
565p	425p	Int. Nat. Gas $1	525p	−10	$1.00	—	7.2
495p	265p	Massey Ferg.II	320p	−20	—	—	—
200p	103p	Place Gas $1	102p	......	—	—	—
14⅞	10⅝	Rio Algom	12	......	$1.50	—	4.7
20	14½	Royal Bk.Can. $2	19⅛	......	$2.56	—	5.1
25½	15⅞	Seagram Co. C$1	24⅜	......	$US1.10	—	2.0
12	890p	Tor. Dom. Bk. $1	11¼	......	$1.44	—	4.9
10½	815p	Trans Can. Pipe	840p	−15	$1.16	—	5.2

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

BUILDING INDUSTRY—Contd.

CHEMICALS, PLASTICS

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY
Telex: Editorial 8954871. Advertisements: 885033. Telegrams: Finantimo, London.
Telephone: 01-248 8000.

Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1.
Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.

INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES

Amsterdam: P.O. Box 1296, Amsterdam-C. Telex 16527 Tel: 276 796
Birmingham: George House, George Road. Telex: 338650 Tel: 021-454 0922
Bonn: Presshaus 11/104 Heussallee 2-10. Telex: 8869542 Tel: 210039
Brussels: 39 Rue Ducale. Tel: 23283 Tel: 512-9037
Cairo: P.O. Box 2040. Tel: 938510
Dublin: Setanta Hse., Kildare St., Dublin 2. Telex: 747111 Tel: 779801 ext. 249
Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4120
Frankfurt: Frankenallee 71-81. Telex: 416052 Tel: 7598 234
Johannesburg: P.O. Box 2128 Telex:8-6257 Tel: 838-7545
Lisbon: Praca de Alegria 58-1D, Lisbon 2. Telex: 12533 Tel: 362 508
Madrid: Espronceda 32, Madrid 3. Tel: 441 6772
Manchester: Queen's House, Queen Street. Telex: 666813 Tel: 061-834 9381
Mexico: Paseo de la Reforma 122-10, Mexico 6DF. Tel: 53513-68
Moscow: Kutuzovsky 14, Apartment 1, Moscow. Telex: 7900 Tel: 243 1635
New York: 75 Rockefeller Plaza, N.Y. 10019. Telex: 66390 Tel: (212) 541 4625
Paris: Centre d'Affaires Le Louvre, 168 Rue de Rivoli, 75044 Telex: 220044 Tel: 297 2000
Rome: Via della Mercede 55. Telex: 610032 Tel: 678 3314
Stockholm: c/o Svenska Dagbladet, Raalambsvagen 7. Telex: 17603 Tel: 50 60 88
Tokyo: 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Fax Tel: 241 2920
Washington: 914 National Press Building, Washington D.C. 20045 Telex: 440340 Tel: (202) 347 8676

ADVERTISEMENT OFFICES

Birmingham: George House, George Road. Telex: 338650 Tel: 021-454 0922
Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4139
Leeds: Permanent House, The Headrow. Tel: 0532 454969
Manchester: Queen's House, Queen Street. Telex: 666813 Tel: 061-834 9381
Frankfurt: Frankenallee 68-72. Telex: 416193 Tel: 7598 1
New York: 75 Rockefeller Plaza, N.Y. 10019. Telex: 238409 Tel: (212) 489 8300
Paris: Centre d'Affaires Le Louvre, 168 Rue de Rivoli, 75044. Telex: 220044 Tel: 297 2000
Tokyo: Kasahara Building, 1-6-10 Uchikanda, Chiyoda-ku. Telex: J27104 Tel: 295 4050

Overseas advertisement representatives in
Central and South America, Africa, the Middle East, Asia and the Far East.
For further details, please contact:
Overseas Advertisement Department,
Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY

SUBSCRIPTIONS

Copies obtainable from newsagents and bookstalls worldwide or on regular subscription from Subscription departments: Financial Times in London, Frankfurt and New York

For Share Index and Business News Summary in London, Birmingham, Liverpool and Manchester, Tel: 246 8026

INDUSTRIALS—Continued

[illegible]

INSURANCE

[illegible]

INSURANCE—Continued

[illegible]

LEISURE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc.

[illegible]

FINANCE, LAND—Continued

[illegible]

OIL AND GAS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—Continued

Australian

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
25	21	Acmex 50c	22	......	—	—	—
24	12	ACM 20c	22	......	—	—	—
138	52½	Bond Corp.	126	......	h02.8c	2.2	1.1
156	88	Bougainville I Kina	116	+4	h02.2c	1.0	11.5
356	230	CRA 50c	306	......	§Q15c	2.1	2.6
25	11½	Canada Northwest	19	......	—	—	—
42	8	Carr Boyd 20c	35	......	—	—	—
£36⅛	£15¼	Central Pacific	£33	......	—	—	—
41	17	Cultus Pacific H.L.	31	......	—	—	—
52	20	Eagle Corp. 10c	40	......	—	—	—
28	15¼	Endeavour 20c	28	......	—	—	—
464	175	G. M. Kalgoorlie 25c	498	+10	Q13c	ϕ	1.5
46	15	Great Eastern	24½	......	—	—	—
465	260	Hamptn Areas 5p.	450	−10	4.5	2.4	1.4
204	30	Haoma Gold N.L.	166	+14	—	—	—
52	15	Intl. Mining	52	+2	—	—	—
720	80	Laichardt Expln.	152	......	—	—	—
30	7	Metals Energy	20	......	—	—	—
82	41	Metals Ex. 50c	77	+2	Q3c	ϕ	2.0
312	187	M.I.M. Hldgs. 50c	245	−1	Q30c	ϕ	6.4
21	7	Minefields Expl. 25c	16	......	—	—	—
155	60	Mount Lyell 25c	100	+2	Q15c	ϕ	8.1
28	15	Newmetal 20c	28	......	—	—	—
55	13	Nickelore N.L.	40	......	—	—	—
207	137	North B. Hill 50c.	196	+3	†Q12c	1.4	3.2
101	44½	Nth. Kalgurli	96	+5	—	—	—
165	90	Nth. Mining Corp.	135	+3	—	—	—
184	24	N. West Mining N.L.	144	+10	—	—	—
235	144	Oakbridge $A1	190	......	Q12c	4.7	3.3
153	70	Otimin N. L.	130	......	—	—	—
240	128	Pacific Copper	218	−2	—	—	—
465	255	Pancont'l 25c	360	+15	—	—	—
78	42	Paringa M&Ex 5p	60	+2	—	—	—
495	335	Peko-Wallsend 50c.	480	+20	tQ17.5c	ϕ	1.9
230	140	Seltrust A	170	+4	—	—	—
£14¼	575	Southern Pacific	£12½	......	—	—	—
100	31	Swan Resources 20c.	90	+2	—	—	—
34	8	West Coast 25c	22	......	—	—	—
313	177	Westn. Mining 50c.	284	−1	Q14c	ϕ	2.5
30	10	Westmex	14	......	—	—	—
108	56	Whim Creek 20c.	94	+4	—	—	—
34	10½	York Resources	30	......	—	—	—

Tins

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
25	14	Amal Nigeria 1p.	18	+1	j6.0	—	—
370	255	Ayer Hitam $M1.	345	......	‡Q290c	0.9	‡
67	42	Beralt Tin	67	......	4.5	3.2	9.6
300	149½	Berjuntai $M1	270	−5	Q85c	ϕ	6.6
230	150	Geevor	155	......	0.4	1.9	7.7
12	10	Gold & Base 12½p	12	......	—	—	—
650	310	Gopeng Cons.	590	−5	†25.0	1.8	6.1
435	280	Hongkong	435	......	‡35.87	ϕ	‡
128	90	Idris 10p	125	......	14.0	1.2	16.0
15	12½	Jantar 12½p	14	+1	1.5	ϕ	15.3
115	64	Kamunting $M0.50.	110	......	Q80c	ϕ	0.0
335	150	Killinghall $M1	335	......	††Q50c	ϕ	3.0
£10	485	Malay Dredging $M1	£10#	......	♦mQ185c	2.6	2.1
42	26	Pahang	40	......	0.44	0.3	1.6
112	83	Pengkalen 10p	110	......	6.0	1.3	7.0
335	230	Petaling $M1	330	......	†Q150c	1.4	9.5
44	22	South Crofty 10p	25	......	1.0	ϕ	5.7
415	180	South Kinta $M0.50	400#	......	s—	—	—
700	325	Sthn Malayan $M1	690#	......	♦‡Q175c	2.1	5.2
305	215	Sungei Besi $M1	260	......	Q480c	1.1	37.6
55	22½	Supreme Corp. $M1	55	......	hQ8c	—	3.0
125	90	Tanjong 15p	117	......	♦5.75	6.0	7.0
115	78	Tongkah H. Tin	105	......	Q45c	1.3	9.6
355	220	Tronoh $M1	335	......	‡Q250c	0.7	‡

Copper

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
235	130	Messina R0.50	215	+5	mQ10c	ϕ	2.7

Miscellaneous

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
180	78½	Anglo-Dominion	132	......	—	—	—
97	52	Barymin	62	......	—	—	—
17	12	Burma Mines 10p	13½	......	0.62	1.1	6.6
213	53	Colby Res. Corp.	213	......	—	—	—
502	285	Cons. Murch. 10c.	340	+40	hQ100c	1.8	16.8
180	80	††Hemerdon 10c.	80	−10	—	—	—
585	325	Northgate C$1	435	−5	—	—	—
485	327	R.T.Z.	467	+1	15.0	3.2	4.6
33	16	Robert Mines	24	+1	—	—	—
112	91	††SPO Minerals 10p	94	......	—	—	—
58	26	Sabina Inds. C$1.	43	−2	—	—	—
51	31	††SWCM 10p	43	+4	—	—	—
650	[illegible]	Tara Exptn. $1	550	−10	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ■ "Tap Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¤ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ǁ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1980-81. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

					IRISH	
Albany Inv. 20p	34	+1		Conv. 9% '80/82	£93⅛	......
Bertam	15	......		Nat. 9¾% 84/89	£82	+½
Bdg'wtr. Est. 50p	445	......		Fin. 13% 97/02	£91	+¼
Craig & Rose £1	£11	......		Alliance Gas	55	......
Fife Forge	35	......		Arnott	200	......
Finlay Pkg. 5p	19	......		Carroll (P.J.)	68	......
Graig Ship. £1	£12	......		Clondalkin	121	......
Higsons Brew	75	......		Concrete Prods.	83xd	......
Holt (Jos) 25p	258	......		Heiton (Hldgs.)	29	......
I.O.M. Stm. £1	152	......		Ins. Corp.	275	......
Pearce (C. H.)	465	......		Irish Ropes	43	......
Peel Mills	45	......		Jacob	31	......
Sheff. Refrshmt.	102	......		T.M.G.	78	......
Sindall (Wm.)	140	......		Unidare	77	+1

OPTIONS

3-month Call Rates

Industrials		I.C.I.	27	Utd. Drapery	6½
A. Brew	7	"Imps"	6½	Vickers	12
BOC Intl.	6	I.C.L.	14	Woolworths	5½
B.S.R.	4½	Inveresk	4		
Babcock	8	Ladbroke	15	**Property**	
Barclays Bank	34	Legal & Gen.	15	Brit. Land	7
Beecham	10	Lex Service	0	Cap. Counties	9
Blue Circle	25	Lloyds Bank	24	Land Secs.	26
Boots	16	"Lofs"	3½	MEPC	17
Bowaters	15	London Brick	6	Peachey	13
B.A.T.	20	Lucas Inds.	17	Samuel Props.	12
Brown (J.)	6	"Mams"	14	Town & City	2
Burton 'A'	10	Mrks. & Spncr	8		
Cadburys	5½	Midland Bank	26	**Oils**	
Courtaulds	8	N.E.I.	5	Brit. Petroleum	32
Debenhams	8	Nat. West. Bank	27	Burmah Oil	20
Distillers	17	P & O Dfd.	10	Charterhall	10
Dunlop	7½	Plessey	14	KCA	11
Eagle Star	15	Racal Elect.	22	Premier	13
F.N.F.C.	2¼	R.H.M.	4½	Shell	35
Gen. Accident	21	Rank Org.	15	Tricentrol	40
Gen. Electric	30	Reed Intnl.	16	Ultramar	35
Glaxo	18	Sears	5		
Grand Met.	12	Tesco	6	**Mines**	
G.U.S. 'A'	34	Thorn	23	Charter Cons.	14
Guardian	23	Trust Houses	12	Cons. Gold	40
G.K.N.	20	Tube Invest.	23	Lonrho	8
Hawker Sidd	15	Unilever	40	Rio T. Zinc	35
House of Fraser	15	U.D.T.	5½		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 24

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES
Saturday September 6 1980

MAN OF THE WEEK

The other face of Poland

BY CHRISTOPHER BOBINSKI

AT FIRST GLANCE the contest looks by no means even. Poland's official trade unions have the resources, the people and the equipment. What is more, they have been ordered by the authorities to become "autonomous and self-governing." They have also been told to defend the interests of the working class.

They are faced by Mr. Lech Walesa, the leader of the general strike in Gdansk and for the moment the most prominent figure in the nascent independent trade union movement. Few people, least of all Mr. Walesa himself, would have expected four weeks ago that he would be sitting in a set of rooms at a hotel that has now become the office of the founding committee of the officially recognised new union movement in Gdansk.

Four weeks ago, the 37-year-old Mr. Walesa, an electrician by trade, had a job in an engineering works, a pretty wife, and six children. He was also a member of the "Baltic free

Lech Walesa
His brand of honesty hit the right note

trade union," which was made up from a small group of dissidents and workers much harassed and victimised by the authorities.

In January, Mr. Walesa had been sacked from another job at Elektronontaz in Gdansk for helping to oranise a short-lived strike against staff reduction. In December he had emerged from the back of a lorry outside the main gate of the Lenin shipyard in Gdansk to speak to a crowd of over 5,000 gathered to commemorate the deaths of shipyard workers killed during the strikes and demonstrations against food-price rises in December, 1970. That tragedy is never far from Mr. Walesa's mind.

He was a member of the strike committee in the shipyard then. "I am to an extent responsible for the bloodshed in December, and that strike was badly led," he said. This goes a long way to explaining his readiness to compromise during the negotiations with the Government this time. In fact, both sides wanted to avoid a repeat of 1970. During this strike Mr. Walesa was interested in one thing—new independent self-governing unions.

Once he got Government agreement on these, he was ready to give way on other demands. Mr. Walesa sees the new unions as a guarantee that the system will not degenerate; the fact that they will be independent of the party means that the party and the Government will improve. As he said during the talks to Mr. Jagielski, the chief Government negotiator: "We want our unions because we don't want to keep coming back here every 10 years."

It was Mr. Walesa's strength as a strike leader that he managed to take the men with him whenever a concession had to be made. Some would say that he is a superb manipulator. He worked hard during the strike, constantly going around the shipyards, being seen, and making speeches. After years of mistrust towards officialdom, people were ready for a leader they could trust, and his brand of honesty hit the right note. Wherever he went, he was cheered and applauded.

The man who had been sacked from the shipyard in 1976 for agitation and who was reinstated only at the beginning of this strike in one of the first concessions granted became in no time the central figure. One of his greatest strengths is his instinctive knowledge of the Communist system and the rules by which it is governed. He told reporters that he has been learning about it all his life. That instinct is his greatest asset in the difficult period ahead, when he must put together an independent union movement in the face of competition from the official unions.

Big sale of tap stock as gilt prices rise

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

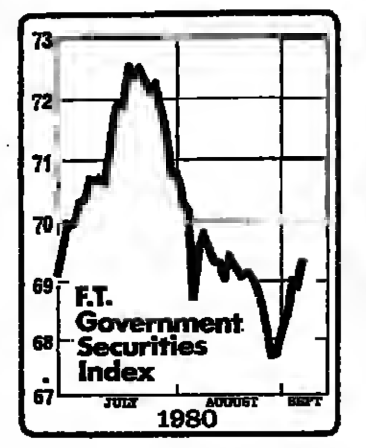
PRICES OF gilt-edged stocks rose sharply yesterday and the Government Broker sold stock on a significant scale for the first time in six weeks.

Gilt prices have recovered strongly over the last week with a 2½ per cent rise in the FT Government Securities index. This follows more than a month of steady decline after the first signs of the big jump in the money supply appeared in July.

The recovery partly reflects the completion of this shake-out rather than any heavy new buying, though there have been reports this week of renewed foreign interest.

The result yesterday was that the Government Broker sold the existing tap stock—Treasury 11¾ per cent 1991 — at £46 in its partly paid form. This is £4 less than the issue price and £4 less than when he last sold the stock in late July.

Some brokers believe that more than £100m was sold yesterday, so after taking account of earlier sales about 60 per cent of the £1bn stock may now have gone.



The strong price rise was in spite of expectations of City economists that the August monetary figures, due to be announced on Tuesday, will be poor. On average, analysts are projecting a rise in sterling M3, the broadly defined money supply, of about 3 per cent.

This prospect is being brushed aside by the gilt-edged market on the grounds that the increase largely reflects the unwinding of past distortions. It is generally assumed that the Government will downgrade these figures when deciding on its monetary target for the next year, and that the evidence of a deepening recession will lead to a cut in Minimum Leoding Rate in the next few months.

Most analysts believe that a cut is unlikely until the authorities have at least a first sight of the September monetary figures. A reduction in early October is being mentioned with growing frequency.

Editorial Comment, Page 16

Tough rules on dawn raids

BY CHRISTINE MOIR

THE COUNCIL for the Securities Industry is to make stock market "dawn raids" almost impossible by demanding that predators give five days' notice of their intentions.

The surprisingly tough rules, foreshadowed in a statement from the CSI yesterday, take effect at 15 per cent of a company's equity.

Anyone offering to buy more than 5 per cent of a company within a period of five days, if the purchase would take his own stake to 15 per cent or more of the equity, will have to give all shareholders five days to think over the offer.

The buyer may choose to make his offer either by way of a formal partial bid with accompanying documents or by inviting shareholders to tender their shares through the market at a fixed or variable rate price.

There is to be no change to the present trigger point for a full-scale bid. The CSI believes that 30 per cent still remains the appropriate level at which a full offer must be made.

Certain details of how the rules will apply on the stock market floor, or if families wish to sell large holdings, have still to be settled.

Meanwhile, until the formal set of rules is published, the "temporary ban" on dawn raids will continue on the CSI's orders.

Agreement on the rules for swift, large-scale market operations was reached at the CSI's emergency council meeting on Thursday.

They go much further than the proposals put forward by the Stock Exchange's special sub-committee and underline the CSI's willingness to interfere in the market "to protect the interests of the target company and its shareholders."

In this the CSI has been firmly supported by the City Capital Markets Committee, an independent body recently restructured by the Bank of England to consider major City issues.

The CMC also published its report on dawn raids yesterday, saying "the interests of all dictate that a delay is required allowing proper information and time for decision and action."

The CSI set up a working party in August to study the implications of the controversial acquisition by De Beers of 25 per cent of Consolidated Gold Fields, 15 per cent of which was bought within hours during a surprise market operation in February.

Details, Page 3

UK loses textile exhibition

BY RHYS DAVID, TEXTILES CORRESPONDENT

THE INTERNATIONAL Textile Machinery Association Show, which Birmingham's National Exhibition Centre was due to stage in 1983, has been switched to Milan following misgivings by the European organisers over temporary accommodation which would need to have been erected.

The move, agreed at a meeting yesterday in Zurich by the presidents of Cematex—the overall organisation covering textile trade associations in Europe—will mean a loss of well over £100m in revenue for the UK from visitors.

The exhibition is claimed to be the biggest held by any industry in the world. The decision deals a serious setback to UK textile machinery manufacturers.

A total of 150,000 visitors from all over the world attended the ITMA exhibition at Hanover last year.

A threat to the NEC's staging of the exhibitioo first emerged in June when Cematex representatives queried the high price being asked for space. The NEC was then believed to be asking exhibitors for £85 a square metre, compared with £60 a square metre at Hanover. There were prospects of further increases in line with inflation.

The higher cost was mainly the result of the need to add a further 90,000 sq m of gross space in temporary buildings to the existing 100,000 sq m.

The NEC was asked by Cematex to reduce its price, and was able to persuade Birmingham City Council to give a guarantee against losses. It also secured a promise of Government financial support towards the cost of upgrading facilities to compete more effectively for international business.

As a result, the NEC was able to reduce its price which it also agreed to quote in Swiss francs.

The new price of SwFr 310 a square metre offered by the NEC is understood to have been broadly acceptable to Cematex. But new doubts were raised over the arrangements for accommodating the exhibition after Orbit, the company whose structures were provisionally approved by Cematex, went into liquidation.

Officials of the British Textile Machinery Association, which was to organise the exhibition on behalf of Cematex, were unavailable for comment last night.

Federal aid for Massey refused

BY OUR TORONTO CORRESPONDENT

THE CANADIAN Government is not planning to come to the aid of Massey-Ferguson, the financially-troubled farm equipment manufacturer, according to Mr. Herbert Gray, the Canadian Industry Minister.

Massey-Ferguson approached the Government several weeks ago for a federal guarantee on part of its proposed C$500m (£178m) equity financing package.

Mr. Gray said yesterday: "I think it is something that can be achieved in the private sector." He added, however, that he was keeping in touch.

The Minister refused to discuss details of Massey-Ferguson's equity plan on the grounds that the information was confidential. But officials said the company proposed that the Government should guarantee between C$200m and C$250m of a planned C$500m preferred share issue.

Massey-Ferguson officials let it be known last week that they were optimistic about federal aid, and expected shortly to announce a package deal.

The position of the Canadian federal authority is expected to be echoed by the Ontario Provincial Government.

Mr. Frank Miller, the Provincial Treasurer, said in Toronto that his government was "keenly interested" in the welfare of Massey-Ferguson. He said he was "gravely concerned" about the company's difficulties, particularly the recent lay-offs involving 5,000 workers.

However, he would not say what possible assistance the Province and Massey-Ferguson had discussed.

Earlier this year, Chrysler of Detroit was given C$200m in federal loan guarantees, while Ontario provided a C$10m subsidy. But the situation with Massey-Ferguson is different, because as Mr. Miller said, the farm-equipment manufacturer is "basically a sound company."

TUC cancels trip

Continued from Page 1

began some three weeks ago. Although the question of a visit at a later date was raised yesterday, the feeling appears to have been that it was best to let the matter rest for the moment and leave it to the Poles to revive an invitation if they wished.

It had been expected that Mr. Jan Bisztiga, the Polish ambassador in London, would travel to Brighton yesterday to talk to TUC leaders, hut he did not put in an appearance.

The Foreign Office denied yesterday that it had asked the TUC to postpone the trip. It said it had merely sent some written background on Poland to the TUC's international department.

Announcing the unanimous decision of the general council to the conference delegates, Mr. David Basnett, chairman of the TUC economic committee and head of the delegation, said there had been informal talks with the Polish trade union centre in the previous two days when a variation in the programme was discussed.

The TUC had argued that any variation would be "much misunderstood in Britain," whatever the strength of the practical reasons for it.

He said they were shocked by the unilateral decision to announce that the visit would be only for one day by a three-man delegation. This would be of no value to either side and is totally unacceptable to the TUC.

"It is clear the Polish authorities do not wish to allow the TUC to make their own arrangements for a visit and the general council have therefore had to conclude that it is not in the interests of the development of trade unionism in Poland for the TUC to be in a position of having to force the issue of a visit."

Car sales

Continued from Page 1

For the first eight months of 1980, sales were 7 per cent down, at 673,887, compared with the same period last year. At the same time, the importers' share rose from 55.8 to 58.9 per cent. Japanese penetration is up from 10.5 to 12.7 per cent.

However, it is clear that the Japanese companies are taking steps to reduce sales to between 10 and 11 per cent for the year, in line with their undertaking to take a "prudent" view of the British market.

Ford retained leadership in the UK car market in August, although its main strength is its sales to company fleets.

But private buyers like Ford's Fiesta, which jumped into second place in the month's "top 10." However, many Fiestas are imported from Spain and, as a result, the Spanish share of total UK sales last month rose from 2.1 to 4.2 per cent, compared with August 1979.

Ford says it is reducing its imports from continental factories by half during the remainder of this year. In August, the import content of the group's sales rose from 44.6 to 46.27 per cent and, for the eight months, Ford's imports were just under 50 per cent of all the cars it had registered.

In August, Ford's market share was down from 24.11 to 22.51 per cent but, for the eight months, it rose from 27.9 to 30.39 per cent.

Datsun, the most successful of the Japanese imports, had two cars in the "top 10" list of best-selling models, and took 10.95 per cent of the market against 7.58 a year before. For the first eight months of 1980 as a whole, Datsun's share was 6.74 per cent against 5.72 per cent in the January-August, 1980.

● Hire purchase sales of new cars in August were sharply up compared with both a month and a year before. But deals involving second-hand cars fell, according to figures yesterday from Hire Purchase Information.

On new cars, 42,869 contracts were recorded against 27,137 in July and 37,109 a year before. There were only 46,686 contracts relating to second-hand cars, well down from July's 55,745 and the 55,920 of August, 1980.

The pattern was similar for hire-purchase deals for two-wheelers. August saw 9,442 contracts for new scooters and motor-cycles against 7,171 a month earlier, and 8,721 in August last year, with 2,925 contracts on second-hand machines compared with 3,273 and 3,855 respectively.

A total of 3,665 contracts was recorded on new commercial vehicles against 3,629 in July and 4,906 in August, 1979. For second-hand commercial vehicles, the figures were 1,616, 2,004 and 1,993 respectively.

Weather

UK TODAY

MOSTLY cloudy with outbreaks of rain. Dry with sunny intervals in South East.

London, S.E. England, East Anglia, Channel Islands
Mainly dry with sunny intervals. Max. 22C (72F).

Midlands, S.W. England, Central N. England, N.E. England, Borders
Bright intervals, becoming cloudy. Max. 20C (68F).

Wales, N.W. England
Cloudy, outbreaks of rain. Max. 19C (66F).

Scotland
Rain, sunny intervals developing. Max. 17C (63F).

Outlook: Unsettled in most places, but mainly dry with some sunshine in S.E. at first.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajeccio	S	25	77	Lisbon	S	24	75
Algiers	S	34	93	Locarno	F	22	72
Amsdm.	R	18	64	London	F	19	66
Athens	S	25	77	Los Ang.	C	18	64
Bahrain	S	37	99	Luxmbg.	R	15	59
Barcina.	F	26	79	Luxor	S	36	97
Beirut	F	28	82	Madrid	S	29	84
Belfast	F	15	59	Majorca	S	28	82
Belgrd.	S	24	75	Malaga	S	27	81
Berlin	C	22	72	Malta	S	27	81
Biarritz	F	21	70	M'chstr	R	13	55
Bmghm.	R	15	59	Mex. C.	F	18	66
Blackpl.	F	16	61	Milan	S	24	75
Bordx.	C	19	66	Mntreal.	F	19	66
Boulgn.	T	18	61	Moscow	C	16	61
Bristol	C	15	59	Munich	S	27	81
Brussels	C	20	68	Nairobi	C	22	72
Budpst.	S	23	73	Naples	S	25	77
Cairo	F	30	86	Nwcstl.	R	16	59
Cardiff	F	15	61	N. York	C	22	72
Cas'b'ca	C	26	79	Nice	F	23	73
Chicago	F	28	82	Oporto	S	22	72
Cologne	R	22	72	Oslo	C	15	59
Cpnhgn.	S	20	68	Paris	C	19	66
Corfu	S	25	77	Perth	C	19	66
Dublin	F	17	63	Prague	F	25	77
Dbrvnk.	S	24	75	Reykjvk.	R	11	52
Ednbgh.	C	16	61	Rhodes	S	26	79
Faro	S	26	79	Rio J'o	C	22	72
Florence	S	26	79	Rome	S	25	77
Frankft.	C	21	70	Salzbrg.	S	26	79
Funchal	S	25	77	S. 'cisco	C	16	61
Geneva	C	21	70	Stckhm.	C	17	63
Gibrltr.	S	26	79	Strasbg.	C	20	68
Glasgow	S	17	63	Tangier	S	27	81
G'nsey	F	16	61	Tehran	S	36	97
Helsinki	F	17	63	Tel-Aviv	S	28	82
H. Kong	F	28	82	Tenerife	S	21	70
Innsbrk.	S	26	79	Tokyo	S	30	86
Invrnss.	C	18	61	Tunis	S	30	86
I.o.Man	S	16	61	Valencia	S	28	82
Istanbul	F	20	68	Venice	S	24	75
Jersey	F	18	64	Vienna	S	22	72
Jo'burg	S	25	77	Warsaw	S	22	72
L. Plms.	C	25	77	Zurich	S	24	75

C—Cloudy. F—Fair. R—Rain. S—Sunny. T—Thunder.

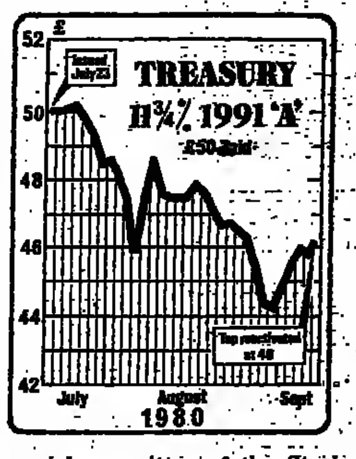
THE LEX COLUMN

Five-day wait for dawn

Next Tuesday, or so the gilt-edged market hopes, will mark a monetary watershed. The City's monetary economists are grimly resigned to one more set of alarming banking sector figures: the consensus judgment is that sterling M3 in the month to mid-August, will have risen by 3 per cent mostly because of a further stage in the process of unravelling the banking "corset" distortions following the lifting on controls back in June. In two months, if the fears for August are correct, sterling M3 will have leapt by 8 per cent. But the current feeling in the gilt-edged market is that the nightmare will be over by next week; from now on the monetary figures will show only a modest growth rate, the depth of the recession will once again dominate market thinking, and speculation about a fall in interest rates will once again intensify.

By yesterday the strength of buying stimulated the Government Broker to re-activate his long-medium tap stock Treasury 11¾ per cent 1991 "A" dormant for many weeks, although he had to slash the price by 4 points from its original issue level.

Index rose 3.6 to 494.4



Dawn raids

After the early prevarication, the City has steeled itself to take the measures necessary to prevent another round of dawn raid embarrassments. The latest proposals by the Council for the Securities Industry unveiled yesterday will prevent market raids taking more than 15 per cent of a company. The proposals go a good deal further than those of the special committee of the Stock Exchange in July. This reflects the pressures on the self-regulatory bodies of the City to put their house in order.

Now the temporary ban on dawn raids imposed by the CSI two days after the Department of Trade Inspector's report on Consolidated Gold Fields—and after a veritable rash of raids at the end of July—is likely to be made permanent. At the same time, recommendations have been released by the City Capital Markets Committee calling for legislative sanctions against non-compliance.

Under the CSI's proposed rules, dawn raids are permitted for holdings below 15 per cent, since the Board of a company should not be too concerned at this level. But if a company wants to obtain more than 15 per cent it will have to give five working days' notice—which is much tougher than the half-hour originally proposed by the special committee of the Stock Exchange and gives time for the remotest shareholder to take advantage of the offer. It also gives time for counter offers to be made or for the defending company Board to set out its arguments.

However, the new provisions fail to deal with one of the trickier aspects of the dawn raids—the practice of jobbers and brokers selling short in the hope of making a quick profit when the share price fell afterwards. It looks as though it has not been possible to find a simple answer, given the way the Stock Exchange operates.

The CSI is working out regulations on how to prevent holdings being built up secretly through the adroit use of the present disclosure rules. But companies still have a less than perfect defence against the unscrupulous, particularly those foreign organisations which care little for UK self regulatory guidelines. The Government has a clear obligation to back the self-regulatory bodies here with legislation to enforce registration and disclosure. The sanction suggested by the City Capital Markets Committee is that the voting rights and dividends attached to shares should be withheld during the time that they are still owned by an offender.

Do-it-yourself

There are some clear indications that the once-buoyant DIY sector is beginning to run out of steam. Last year's volume sales growth of 7 to 8 per cent has slowed considerably amid general retail difficulties in the UK and an increasing number of new entrants into the DIY business has only made matters worse.

Yesterday's pre-tax decline from the paint and wallpaper specialists A. G. Stanley could be a harbinger of gloom in the supposedly recession-resistant DIY field. Stanley's pre-tax profits came down from £1.2m to just £800,000 in the first six months—whereas the market was expecting profits to rise by as much as 20 per cent. This sent shares down 7p to 62p, close to the year's low.

Stanley, with 270 outlets in the UK, is a hard-core DIY retailing group, catering to the High Street decorating enthusiast and weekend craftsman. But Stanley's pre-tax margins have now come off almost 5 points as a result of what the company calls "irresponsible" competition in brand-name paints.

The competition referred to by Stanley was the price-cutting war which got under way during Britain's bleak spring of 1980, the period when the public just seemed to stop buying. Tesco, for example, began selling branded paint at prices around cost, bad news for Stanley, which looks to paints for around 40 per cent of group business.

Stanley's group mark-up in the first six months fell from 35 per cent to 32 per cent and each point is equivalent to almost a quarter of a million pounds. By the end of the current year it is entirely possible that Stanley pre-tax profits will have fallen from last year's £3m to as little as £2.25m.

But Stanley is not alone in its earnings slump. Yesterday B and Q, the DIY trail-blazer which has managed to attract a generous takeover bid from a troubled Woolworth group, revealed the pressures affecting many of its 35 Supercentres. Sales in the half-year to July were up by only 12 per cent while inflation was running at 17 per cent and overhead costs were rising fast.

Elsewhere the picture seems to be reasonably similar. DIY businesses do have the important advantage of being able to vary their merchandise mix considerably, enabling them to branch out into interests such as bathroom and kitchen equipment when paint brushes and glue are not selling enough. But the higher margin accessories are now being hit by the squeeze on consumer spending. With a variety of powerful retailing groups entering the sector of late, there seems to be too much competition for a rather finite pie. Together with recessionary pressures, this can only spell rationalisation of the DIY market, a shake-out which could intensify during the next twelve months.

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.

هكذا من الأهل